lish at the same time a new Cabinet post entitled Secretary of Monopolies who would award 20-year monopoly franchises to well deserving institutions with power, prestige, or a long history of contributions to campaign funds. The power to grant monopolies, gentlemen, was one of the evils of royalty for which revolutions were fought in Britain. I trust you will not permit those who would seek special privileges to obtain this right in the United States without even a struggle.

Gentlemen, let me make my position on this legislation clear. I believe that with the passing of the crisis that had actually involved the United States in a shooting war, we are presently in a position to accomplish virtually all of our defense requirements within the traditional framework of the antitrust laws. Free competition has provided the American people the wherewithal to resist open aggression in the past, and, certainly, will continue to do so in the future.

I want to add, nevertheless, that if you, in your wisdom, see fit to extend the immunity provisions from the antitrust laws, they should be carefully limited to terminate at the end of the Defense Production Act. We need no widespread monopoly licensing provisions which would grant a privileged few the right to violate the antitrust laws for as much as two decades with no supervision or control. Immunity, if immunity there must be, should be confined to the period in which you extend the Defense Production Act for all other purposes. And any exemptions from the act should be carefully restricted to matters coming within the aims, objectives, and purport of the basic statute.

WOC PERSONNEL

Section 5 of S. 2165 provides for the establishment of a reserve force of WOC's so that they would be ready to take over top Government positions in the event of any emergency. I believe the committee should carefully study the background and need for such a provision before enacting any such provision.

Reference was made in your hearings yesterday to our experience with these WOC's during World War II. I would therefore respectfully call to your attention in this connection the study of WOC's made by the Truman committee (S. Rept. No. 480, 77th Cong., 2d sess. (1942), pp. 7–10). In part, this is what the committee concluded—and I commend the report in full for your study:

"Although the contracts obtained by the companies loaning the service of dollar-a-year and WOC men are not passed upon by the men so loaned, such companies do obtain very substantial benefits from the practice. The dollar-a-year and WOC men so loaned spend a considerable portion of their time during office hours in familiarizing themselves with the defense program. They are, therefore, in a much better position than the ordinary man in the street to know what type of contracts the Government is about to let and how their companies may best proceed to obtain consideration. They also are in an excellent position to know what shortages are imminent and to advise their companies on how best to proceed, either to build up inventories against future shortages, or to apply for early consideration for priorities. They can even advise them as to how to phrase their requests for priorities. In addition, such men are frequently close personal friends and social intimates of the dollar-a-year and WOC men who do pass upon the contracts in which their companies are interested.

"These are only a few of the advantages which large companies have obtained from the practice, and it should be especially noted that they are the very same ones which the small and intermediate businessmen attempt to obtain by hiring people who they believe have 'inside information' and 'friends on the inside' who could assist them in obtaining favorable consideration of contracts. Therefore, in a very real sense the dollar-a-year and WOC men can be termed 'lobbyists' * * *.

"The committee is opposed to a policy of taking free services from persons with axes to grind, and the committee believes that the Government should not continue to accept the loan of dollar-a-year and WOC men by companies with so large a stake in the defense program."

Our experience with these WOC's in the recent hot-war period of Korea has been no more successful. Mr. Fleming referred to the Executive orders of the President designed to implement the WOC provisions of the Defense Production Act with respect to the use of WOC's. But these were blatantly and continue to be blatantly ignored. For example:

1. Section 102 (a) of Order 10182 provides that as far as possible "operations under the act shall be carried on by full time, salaried employees of the Government." However, Mr. Chairman, if you read the statements of officials in setting up the Business and Defense Services Administration, you will find that there is expressed a preference and an avowed policy of hiring WOC's notwithstanding the availability of Government personnel on a paid basis. This policy was expressed by Mr. Weeks in a speech describing the aim of the new Business and Defense Services Administration on June 9, 1953, as follows:

"We propose * * * (5) to establish approximately 20 main industry divisions with key advisers, recommended by various industries to represent them, and staffed for operation purposes by industrial experts from the career services, * * * the functions of the proposed business services agency will be to. * * *(6) See to it that, while private business, of course, cannot dictate Government policy and plans, it be placed in a position where it can effectively approve or disapprove of the implementation of such policy and plans from the standpoint of their practical workability in every day industrial operation."

And, of course, that is exactly what this legislation would approve of on a long-term basis.

2. Section 301 (d) of Order 10182 requires that in obtaining WOC's, the administrator or head of the hiring agency must certify that he has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis. Mr. Chairman, it would be interesting indeed to see in how many instances even the slightest attempt was made to find full-time Government employees before hiring a WOC. Certainly that can't be the policy now when a preference has been expressed in the Business and Defense Services Administration for hiring WOC's without thought to whether there were qualified personnel on a paid basis available.

3. Section 301 (c) requires that in appointing WOC's for the head of the department to certify "That the appointee has the outstanding experience and ability required by the position." If you examine how WOC's have been and are chosen in practice you will find that they are appointed not on the basis of individual merit but on a company rotation basis. Large companies are requested—yea, urged, to send a man to Washington to staff the agency. The agencies get what the company can spare. As a result, you will find that any number of WOC's have been nothing but salesmen, with no particular skills to contribute that could not have been found elsewhere. A number of WOC's have been so called "Washington representatives" of large and powerful concerns. And it would make a most interesting study to learn how many WOC's once having worked in the Government thereafter remain in Washington to represent their companies in Government transactions.

In closing, Mr. Chairman, I want to leave with you for inclusion in your record, pp. 78–91; and 97–98 of House Report No. 1217 of the 82d Congress which has some valuable information relating to the use of WOC's. This study was completed by a subcommittee of which I was chairman. The committee concluded that: "the employment of WOC's during the mobilization period should be kept at a minimum." If this conclusion was true during a period of actual hostility, how much more is it valid now during a period when there is no overt military action.

For these reasons, Mr. Chairman, the committee should require Secretary Weeks to furnish it a list of all WOC's with positions they have occupied in government and their corporate affiliations. I respectfully urge a full and complete examination of the WOC program before any such blanket recruitment of persons representing private interests for important government policy provisions is undertaken by statute.

SENATE

WEDNESDAY, JUNE 8, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, help of the ages past, hope for the years to come: Thou God of grace and glory, we would yield our flickering torch to the flame of Thy redeeming love. Closing for these dedicated moments the door upon the outer world, with its shouting and its tumult, we know ourselves for what we are, petty, proud creatures who seek their own wills and whims in spite of the polished courtesies and noble professions with which we come to Thee. But in the light of Thy presence we pour contempt on all our pride. As every ray of sunshine leads back to the sun, so, as we bow at this wayside shrine, teach our thoughts to travel up the road of Thy benedictions to Thyself:

"For every virtue we possess,
And every victory won,
And every thought of holiness,
Are Thine alone."

We pray that Thou wilt make every personal and national blessing a transparent window in the temple of service, so that the effulgent light of Thy spirit may shine through it in glory for human good. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 7, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of

the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills and joint resolutions of the Senate:

S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas);

S. 68. An act for the relief of Evantiyi Yorgiyadis;

S. 89. An act for the relief of Margaret Isabel Byers;

S. 93. An act for the relief of Ahti Johannes Ruuskanen;

S. 121. An act for the relief of Sultana Coka Pavlovitch;

S. 129. An act for the relief of Miroslav Slovak;

S. 193. An act for the relief of Louise Russu Sozanski;

S. 236. An act for the relief of Johanna Schmid;

S. 265. An act to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres;

S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming;

S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen;

S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivio Makela;

S. 351. An act for the relief of Ellen Henriette Buch;

S. 407. An act for the relief of Helen Zafred Urbanic;

S. 439. An act for the relief of Lucy Personius;

S. 504. An act for the relief of Priska Anne Kary;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 755. An act to authorize the conveyance of certain war-housing projects to the city of Warwick, Va., and the city of Hampton, Va.;

S. 844. An act for the relief of Zev Cohen (Zev Machtani);

S. 998. An act to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla.;

S. 1398. An act to strengthen the investigation provisions of the Commodity Exchange Act;

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service;

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area;

S. J. Res. 51. Joint resolution extending an invitation to the International Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif.; and

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 26) providing for the continued operation of the Government tin smelter at Texas City, Tex.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, and it was signed by the Vice President.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Securities Subcommittee of the Committee on Banking and Currency be authorized to meet during the session of the Senate today. This request has been cleared with the minority leader [Mr. KNOWLAND].

The VICE PRESIDENT. Without objection, it is so ordered.

SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER

Mr. JOHNSON of Texas. Mr. President, I am about to ask unanimous consent—and I call the request to the attention of the distinguished Senator from Nevada [Mr. MALONE] and the minority leader, the distinguished Senator from California [Mr. KNOWLAND]—that debate on all amendments and on the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper be confined to an hour and a half, the time to be equally divided between and controlled by the Senator from Nevada and the Senator from Texas.

In order that the proposed agreement may be formalized in the usual language contained in such agreements, I send it to the desk in writing, and ask that it be read.

The VICE PRESIDENT. The proposed agreement will be read.

The legislative clerk read as follows:

Ordered, That, effective on Wednesday, June 8, 1955, at the conclusion of routine morning business, during the further consideration of the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper, debate on all amendments, motions, or appeals, except a motion to lay on the table, shall be limited to 1½ hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be equally divided and controlled, respectively, by the majority and minority leaders.

Mr. JOHNSON of Texas. Mr. President, it is the intention to limit debate on both the amendments and the bill to a total of 90 minutes.

The VICE PRESIDENT. Is there objection to the proposed agreement? The Chair hears none, and the agreement is entered into.

TRANSACTION OF MORNING BUSINESS

Mr. JOHNSON of Texas. Mr. President, inasmuch as the Senate met today following an adjournment, there is the usual morning hour. I ask unanimous consent that during the morning hour speeches be limited to 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, EXECUTIVE OFFICE OF THE PRESIDENT (S. Doc. No. 48)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, for the fiscal year 1956, in the amount of $1,250,000, for the Executive Office of the President, in the form of an amendment to the budget for the said fiscal year (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT RELATING TO JURISDICTION OF BOARDS OF REVIEW

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to amend section 301, Servicemen's Readjustment Act of 1944, to further limit the jurisdiction of boards of review established under that section (with an accompanying paper); to the Committee on Armed Services.

DISPOSITION OF CERTAIN REMAINING ASSETS SEIZED UNDER THE TRADING WITH THE ENEMY ACT

A letter from the Attorney General, transmitting a draft of proposed legislation to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941 (with accompanying papers); to the Committee on the Judiciary.

INCREASED EXPENDITURES FOR ENFORCEMENT OF CUSTOMS AND IMMIGRATION LAWS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended (with accompanying papers); to the Committee on Public Works.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 1790. A bill to amend section 4153 of the Revised Statutes, as amended, to author-

lze more liberal propelling power allowances in computing the net tonnage of certain vessels (Rept. No. 500);

H. R. 4359. A bill to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif. (Rept. No. 501);

H. R. 5146. A bill to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade (Rept. No. 502); and

H. R. 5398. A bill to increase the efficiency of the Coast and Geodetic Survey, and for other purposes (Rept. No. 503).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; with amendments:

S. 1791. A bill to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats (Rept. No. 504).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Ralph L. Pfau, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey;

John H. Graham, and sundry other persons, to be chief warrant officers in the United States Coast Guard.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Thirty-five postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 2174. A bill to provide for the creation of an 11th judicial circuit to be comprised of Alaska, Idaho, Montana, Oregon, and Washington, and for the circuit judges constituting the 9th and 11th circuits; to the Committee on the Judiciary.

By Mr. WELKER:

S. 2175. A bill for the relief of certain alien sheepherders; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2176. A bill to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress; and

S. 2177. A bill to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WILEY:

S. 2178. A bill to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.; to the Committee on Finance.

By Mr. IVES:

S. 2179. A bill to incorporate the National Academy of Design; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2180. A bill for the relief of Mrs. Rosa Georges Yacoub (Jacob); and

S. 2181. A bill for the relief of Gulwant Kaur and her two children, Pargan Singh Kaur and Gurdev Kaur; to the Committee on the Judiciary.

By Mr. NEELY:

S. 2182. A bill for the relief of the city of Elkins, W. Va.; to the Committee on the Judiciary.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—REFERENCE OF RESOLUTION TO COMMITTEE ON RULES AND ADMINISTRATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the resolution (S. Res. 106) to provide additional funds for the Committee on Interior and Insular Affairs be taken from the calendar and referred to the Committee on Rules and Administration.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR THE PRINTING OF A STUDY ON THE ESSENTIALITY OF AMERICAN HOROLOGICAL INDUSTRY (S. DOC. NO. 49)

Mr. DUFF. Mr. President, I ask unanimous consent to have printed as a Senate document the staff study of Preparedness Subcommittee No. 6 of the Senate Armed Services Committee of the 83d Congress on the essentiality of the American horological industry.

This study reflects the work of the staff done preliminarily to the formulation of the report of the subcommittee published as a committee print and entitled "Essentiality of the American Watch and Clock Industry—Report of Preparedness Subcommittee No. 6 of the Committee on Armed Services, United States Senate, Under Authority of Senate Resolution 86, 83d Congress."

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 8, 1955, he presented to the President of the United States the enrolled bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD as follows:

By Mr. HRUSKA:

Address delivered by him at the Masaryk memorial dedication at Chicago, Ill., on May 29, 1955.

By Mr. DUFF:

Address entitled "Sweden and America," delivered by Senator MAGNUSON on the 300th anniversary of the founding of the Lutheran Mission in Pennsylvania.

By Mr. BUTLER:

Statement prepared by him outlining his views on current appropriations for various maritime activities of the Federal Government.

By Mr. LEHMAN:

Statement made by him on June 8, 1955, before the Senate Subcommittee on Refugees, Escapees, and Expellees.

By Mr. NEELY:

Article entitled "Ike's Endless Buck-Passing Denounced by Schnitzler," published in Labor's Daily of May 26, 1955.

THE SALK ANTIPOLIOMYELITIS VACCINE—REMARKS OF MRS. OVETA CULP HOBBY AND DR. LEONARD A. SCHEELE

Mr. DANIEL. Mr. President, last evening the Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, and Dr. Leonard A. Scheele, Surgeon General of the United States Public Health Service, made to the American people most informative and enlightening remarks on one of the most important subjects before the Nation today, namely, the Salk antipolio vaccine. I ask unanimous consent that the remarks of Mrs. Hobby and Dr. Scheele be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY OVETA CULP HOBBY, SECRETARY OF HEALTH, EDUCATION, AND WELFARE, AND DR. LEONARD A. SCHEELE, SURGEON GENERAL, UNITED STATES PUBLIC HEALTH SERVICE

Mrs. HOBBY. Good evening, ladies and gentlemen, poliomyelitis and the safety of the Salk antipolio vaccine are vitally important to all of us. Scientific processes are often difficult for us as laymen to understand. Yet it is important that we understand the results of scientific findings so that we can be intelligent in making decisions about our own children.

The Public Health Service of the United States, whose duty it is to protect the health of the Nation, is a corps of physicians, scientists, and other professional health workers. It has served us with integrity since 1798.

I have asked the Surgeon General of the Public Health Service to talk to you tonight about vaccines and the Salk vaccine in particular. He has served as an officer in the Service since 1930—and has served as your Surgeon General since 1948.

It is my privilege to present a distinguished public servant, Dr. Leonard A. Scheele.

Dr. SCHEELE. Thank you, Mrs. Hobby.

Many questions have been raised in recent weeks about the new vaccine against poliomyelitis.

People are asking: Is it absolutely safe? Does it really protect against polio? Will there be enough vaccine for large-scale use this summer?

I will give you the facts about the vaccine as I know them, and I want to give you some idea of the outlook for the future.

First, something about the disease itself. Polio occurs everywhere—in this country and throughout the world. It is caused by a virus so small that its presence cannot be known except by its effect on living animals or on cells in tissue culture.

Nearly everyone is in repeated contact with the virus and is infected by it at some time in his life. The disease is generally very mild and goes unnoticed.

In cases that come to the attention of physicians, there is fever, sometimes a sore throat. Sometimes the muscles ache, but recovery is usually prompt. However, in about 1 percent or less of these cases the virus invades the spinal cord or the brain and causes muscle weakness or paralysis.

Polio brings many personal tragedies each year. It is a national health problem.

But we should recognize that more children die each year from pneumonia, cancer, and heart disease, for instance, than from polio. Even without immunization, during an average year the chance that any individual of any age will get paralytic poliomyelitis is 1 in 7,500. One in 32,000 will suffer permanent crippling—and, the chances are, only 1 in 68,000 will die from polio.

So far this year throughout the Nation in the age group from 1 to 19, there have been 1.3 cases of paralytic polio among each hundred thousand. Last year for the same period the rate was 1.4. The comparable 5-year average was 1.1.

While it is much too early to make any predictions, there is no reason to believe that incidence of polio this year will be greater than the 5-year average. Experience indicates, however, that there will be scattered local epidemics, and some may be severe.

Let me tell you in a few words about the development of the polio vaccine.

Dr. Jonas Salk had the knowledge, intuition, and tenacity to create a poliomyelitis vaccine out of the sum of available scientific knowledge in virology and immunology. The National Foundation for Infantile Paralysis, through public contributions, supported the development and application of Dr. Salk's vaccine. It was carried through the experimental stage, tested on a large scale last year, and launched this year as a major nationwide immunization program under foundation leadership.

Now, I want to explain how a vaccine works—and how it is made.

To acquire immunity against contagious disease, our bodies must create defenses against the bacteria or viruses which cause these diseases. These defenses are called antibodies.

Antibodies of various kinds are always present in the system. Whenever the organisms of disease invade the body, the system becomes a battleground between the forces of health and disease.

Vaccines are the product of infectious agents. A vaccine stimulates the body to produce its own antibodies. These antibodies then can help prevent disease.

That is how a vaccine against poliomyelitis works. Now let me tell you how it is made.

First, polio virus is grown on tissue from monkey kidneys. Since there are three important types of polio virus, each type must be grown separately.

Second, virus of each type is inactivated separately by treatment with formaldehyde over a period of days.

Third, the three inactivated virus types are mixed.

Finally, the mixture is bottled for distribution.

Now this is what we mean by "inactivation" of the polio virus. At the beginning, there might be as many as 4 million live virus particles in a teaspoon of the substance. At the lowest point that virus concentration can be measured, there might be only one virus particle in a quart of material. But, in practice, the manufacturers don't stop there. The inactivation process is continued beyond this point.

You may wonder why the manufacturers cannot treat this vaccine fluid indefinitely with formaldehyde for added safety. This is not possible because the vaccine loses some of its power to give immunity if it is treated too long. A good vaccine must be made both as effective and as safe as possible.

The basic theory has been that during the period of treatment with formaldehyde, the course of inactivation followed a straight line down. With continuing treatment, it is calculated there should be perhaps as little as one live virus in a million tons of vaccine fluid. Actual experience in large-scale manufacture has demonstrated that—whether for theoretical or practical reasons—the course of inactivation does not necessarily follow a straight line. Instead, it often tends to form a curve. This means that we cannot be sure that there had been adequate inactivation by getting a negative test at a single point. We have learned that it is necessary to have 2 consecutive negative tests 3 days apart.

From experience accumulated since April 12, we learned that it was possible to build into the large-scale manufacturing and testing process the added safeguards. Our policy has been safety, not speed, except as the latter is compatible with safety.

There are three key points for safety testing during this process.

The first is during the period of inactivation. Two consecutive tests in tissue culture, 3 days apart, must show no active virus before the 3 types are mixed.

The second test is done after the mixture. This test must show no live virus—not only in tissue culture, but also in monkeys.

The third is a test made on samples of the vaccine after it has been bottled and before distribution.

I want to make it clear that there is always the possibility of very minute amounts of active virus in the vaccine. However, these amounts of active virus have been reduced as low as science can reduce them without destroying the effectiveness of the vaccine. The possible presence of very small amounts of active virus is true of all vaccines made—as this polio vaccine is made—from active virus. We have successfully used vaccines made from live organisms for as long as 50 years, because medical science knows that they convey a great benefit to mankind.

It took time to work out the extremely technical details of these additional safeguards with scientists and manufacturers. The new standards require some changes in production and testing processes by the manufacturers. Making and testing vaccine is a difficult and delicate process. You cannot make viruses meet deadlines. You cannot force scientific work to meet dates on a calendar. And it must be kept in mind that the entire process of manufacturing a batch of vaccine takes about 90 days.

This is a reason why we can give you no precise estimates of how much vaccine will be available at any given time.

The manufacturers have assured me that they can and will produce vaccine under these requirements. But I want to make it clear that they will not be able to produce enough vaccine to immunize all children this summer.

The field trial of 1954 showed that though a child is vaccinated, there still will remain a chance that he will acquire paralytic poliomyelitis because the vaccine does not cause all children to develop immunity. This is true with respect to all immunization procedures. It is true because there is no such thing as a perfect vaccine—against poliomyelitis or any other disease. But—and this is the important point—the risk is much less than if the child were not vaccinated.

I've been presenting the national picture as I see it as Surgeon General of the Public Health Service.

By releasing more vaccine for use as I did yesterday, I have demonstrated our confidence in its safety and effectiveness.

But conditions vary widely in different sections of the country and at different times of the year. These general considerations must be applied by doctors in each community.

Each physician has his own training and experience. And — most important — he knows the individual needs of his patients at a particular time and in a particular community. The family doctor always has, in addition, access to the technical information from health officers and from medical organizations. It is the family physician, then, who can best help parents who have special questions and problems.

Decisions on polio vaccination, like many others concerning health that arise from time to time, are decisions that parents have to make with the advice of their physicians.

Mrs. HOBBY: Ladies and gentlemen, from Dr. Scheele's report to you, I know that you feel that the scientists, the Public Health Service, the doctors, and the manufacturers are working together to give our children a safe and effective vaccine.

To that end we shall all continue to work.

REGISTRATION OF CHARITY COLLECTIONS

Mr. WILEY. Mr. President, I send to the desk a brief statement on the subject of voluntary self-regulation and information on charity solicitation and an accompanying table.

I ask unanimous consent that they be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

ASSURING SOUND FRUITS FOR THE GENEROSITY OF THE AMERICAN PEOPLE

Not long ago, it was my pleasure to send a congratulatory message to the Milwaukee County Kiwanis Foundation on the occasion of its dedication of a new one-third-million-dollar cerebral palsy clinic.

This clinic—erected in cooperation with the famous United Cerebral Palsy Organization—is a tribute to the selfless generosity of innumerable citizens of the Greater Milwaukee area. It is symbolic of the great and warm philanthropic heart of the American people.

AMERICA'S GREAT SYSTEM OF CHARITIES

The system of private charities in our country—charities of our great religious faiths, charities of lay organizations—fraternal, civic, social, veterans, professional—charities combined into Community Chest drives and all others, represent one of the great and distinguishing hallmarks of this Republic.

The willingness—yes—the eagerness of the American people to fulfill their personal responsibilities, to prove that they are indeed their brother's keeper, is a heartwarming proof, if any proof be needed, of the heights to which a free system can inspire men in giving of themselves.

CHISELERS, PROMOTERS CREEP IN

Unfortunately, one aspect of this situation is that, as in every other worthwhile field of endeavor, there is a small minority of chiselers, of self-serving promoters, who creep in.

I am not simply referring to the out-and-out frauds, as detestable as they are.

They, of course, are just about the vilest of all parasites, for they swindle the American people, they rob Americans of the goodwill outpouring of their generous hearts. These out-and-out frauds, these fake charities which exist in name and letterhead only, must be curbed to the fullest extent of State and local law.

ENORMOUS OVERHEADS OF SOME GROUPS

But then there are the groups which do not openly violate the letter of the law. A small proportion of their collected funds are expended for the charitable purpose, but the pity and the tragedy of the situation is that an enormous overhead, a tremendous percentage for promoters' solicitation, is siphoned off.

With these facts in mind, one of the distinguished leaders of the Milwaukee County Kiwanis Foundation (a completely bona fide and voluntarily self-regulated group, I may

add) conveyed to me his earnest recommendation that consideration be given to ways and means of preventing the abuse of charity solicitations.

I, for one, certainly feel that every bona fide charity, or, for that matter, any other public-service enterprise, should be ready, willing, and eager to present a complete financial account of its entire bookkeeping system. Every bona fide group should be ready, willing, and eager to put a voluntary and strict limitation on the amount of funds which can be deducted for overhead purposes. Most of the major charitable groups with which I am familiar do definitely observe these safeguards already. I congratulate them for it.

I, for one, would very definitely like to see their example expanded upon. I would like to see all such groups—soliciting in interstate channels—come forward openly and demonstrate anew to the American people the absolute worthwhileness of sound charitable contributions. I emphasize, I am not speaking of mandatory registration, but only of voluntary action in the public interest—so as to sustain complete public confidence.

I hope that the Department of Health, Education, and Welfare will give its encouragement to this voluntary objective. That Department has of course no statutory authority for this specific purpose. Yet, within the broad framework of its overall humanitarian objectives, it is well entitled to help voluntarily in this effort.

GREATER NEED FOR CHARITY TODAY

Certainly, in our country, there is a greater need today than ever before for private philanthropic contributions.

Money is needed for hospitals, for outpatient medical care, for old-age homes, for orphans, for schools, for colleges, for battling diseases, for helping the underprivileged, and for a thousand and one sundry purposes, which government cannot hope completely to perform, and which government should leave, in certain measure, to private individuals to perform.

America is more prosperous today than ever before, and it is also more civic-conscious and socially minded than ever before. We are no longer content to witness snails' progress in battling arthritis or multiple sclerosis or muscular dystrophy or blindness; we will not ignore the plight of foundlings nor the problem of juvenile delinquency. We want to see these problems met and met efficiently.

Yet, inflation has cut seriously into the ability of America's charitable organizations to meet their existing, much less their future, workloads.

CHURCHES ENTITLED TO SUPPORT

The churches of America—the three great religious faiths—are particularly hard-pressed. They are certainly entitled to continued enthusiastic support by their members in both their direct religious and in their charitable phases. The churches have always faithfully fulfilled their responsibilities to God and country.

Not a single dime which might go to them should be misdirected to an extravagant charity or, what is worse, to an outright fraud.

In the District of Columbia area alone, the Evening Star recently estimated that $300,000–$500,000 each year may go down the drain through the bogus appeals of phony charities.

And so, under these circumstances, it is important that every single penny—every single dollar—which is raised for a noble cause, in the tradition of a Good Samaritan, be expended precisely for that cause and for none other, and that the swindler, the chiseler, the self-serving promoter, who would otherwise cash in on America's charitable instinct, be eliminated to the greatest possible extent.

In the meantime, I wish Godspeed to such noble groups as the Community Chests, as well as specific charities like the Arthritis and Rheumatism Foundation, United Cerebral Palsy, and others.

I wish continued success to the law enforcement authorities at State and local levels in combatting frauds. I commend the outstanding work of better business bureaus in this protective function as well.

LIST OF DISTRICT OF COLUMBIA CHARITIES DRIVES

Finally, as an illustration of the considerable and diverse scope of local United States charities, I append a table from the April 24 Evening Star which listed the bonafide charities in the District of Columbia—charities contributing indispensably to the well-being of the Greater Washington area.

I reiterate that my own basic comments are of course directed to charities soliciting in interstate commerce, since that is the only legal basis for Federal interest, as such.

MAJOR FUND CAMPAIGNS IN AREA ARE TABULATED

Major fund drives for health, education, welfare, and recreation in this area

	Raised 1954	Goal 1955
American Cancer Society, District of Columbia	$279,025	$279,000
Arlington County	28,681	30,000
Fairfax County	16,000	20,000
Montgomery County	19,600	20,000
Prince Georges County	9,821	10,000
Alexandria Cancer Information Center	14,689	15,000
American Red Cross	1,418,000	1,424,000
American Veterans of World War II	500	500
Arlington Association for Retarded Children	264	15,000
Arlington Hospital	84,000	32,000
Arthritis and Rheumatism Foundation	64,000	103,000
Baker's Dozen—Youth Center	6,000	30,000
Big Brothers of District of Columbia	1,000	20,000
Boys' Club, Metropolitan Police	350,000	350,000
Central Union Mission	42,246	[1] 42,246
Children's Hospital	40,000	40,000
Columbia Lighthouse for the Blind	90,249	[1] 90,249
Columbia Hospital for Women	90,000	260,000
Community Chest Federation	3,809,000	[1] 3,809,000
Additional appeals by chest agencies:		
Boy Scouts	100,712	122,000
Salvation Army, District of Columbia	77,146	85,000
Alexandria	9,000	9,000
Arlington	20,000	13,500
Urban League	5,000	8,000
YWCA, District of Columbia	----------	148,000
District of Columbia Society for Crippled Children	162,000	210,000
Federal Association for Epilepsy	----------	[2] 50,000
Garfield Hospital Nursing School	----------	30,000
German Orphan Home	2,600	----------
Goodwill Industries	126,000	100,000
Gospel Mission	4,000	[1] 4,000
Hebrew Academy of Washington	65,000	80,000
House of Mercy	10,000	10,000
Junior Chamber of Commerce Charities	4,829	4,800
Junior Police and Citizens' Corps	9,000	15,000
Mary L. Meriweather Home for Children	----------	1,840
Muscular Dystrophy Association of America	110,000	65,000
National Association for Advancement of Colored People	14,000	25,000
National Foundation for Infantile Paralysis, District of Columbia	319,524	246,000
Alexandria	27,000	25,600
Arlington County	70,000	75,500
Fairfax County	62,623	50,300
Montgomery County	93,849	86,200
Prince Georges County	60,006	60,000
National Conference of Christians and Jews	33,000	35,000

[1] 1955 goal not set, 1954 figure used.
[2] Sum to be raised by a telethon; national goal is $1 million.

Major fund drives for health, education, welfare, and recreation in this area—Con.

	Raised 1954	Goal 1955
National Multiple Sclerosis Society	19,930	40,000
National Welfare League, Inc.	64,000	[1] 64,000
Planned Parenthood Association, District of Columbia	21,031	22,000
Planned Parenthood League, Montgomery County	3,700	[2] 5,500
Providence Hospital	100,000	----------
St. John's College High School	----------	250,000
Seventh-Day Adventist Ingathering	93,000	108,663
Stony Ridge Country Day School of the Sacred Heart	----------	$300,000
Suburban Hospital, Montgomery County	$55,000	600,000
Tuberculosis Association, District of Columbia	152,000	152,250
Alexandria	22,100	21,660
Fairfax County	33,163	35,000
Prince Georges County	30,000	32,000
Arlington Tuberculosis and Health Association	52,800	52,900
Montgomery County Tuberculosis and Heart Association, tuberculosis collections	75,300	78,000
United Cerebral Palsy of Washington	11,000	150,000
United Jewish Appeal	1,267,000	1,800,000
United Negro College Fund	30,000	30,000
Veterans of Foreign Wars	7,055	12,750
Volunteers of America	29,792	30,000
Washington Committee for Education on Alcoholism	1,896	[1] 1,896
Washington Federation of Churches	80,000	90,000
Washington Heart Association	120,000	165,000
Northern Virginia Heart Association	11,500	29,778
Montgomery County Tuberculosis and Heart Association heart fund collection	----------	20,500
Prince Georges County Heart Association	----------	7,335
Washington Home for Foundlings	17,000	----------
Washington Home for Incurables	7,100	7,100
Washington Housing Association	18,472	[1] 18,472
Washington Humane Society	1,100	1,100
Grand total	10,590,450	12,870,786
MISCELLANEOUS APPEALS		
Board of trade, economic development program	80,000	80,000
Greater National Capital Committee	140,000	150,000
Crusade for Freedom	39,000	45,000
National Symphony Orchestra	230,000	300,000
Washington Home Rule Committee	16,318	[1] 16,318
National Wildlife Federation, seal sales	3,829	[1] 3,829
Total	509,147	595,147
Grand total	10,590,450	12,855,786

[1] 1955 goal not set, 1954 figure used.
[2] Also gets funds from Thrift Shop in Bethesda and obtains some funds from fees.

NOTE.—These figures were obtained in response to inquiries for the amounts obtained and to be obtained through public appeals for contributions. In many cases the organizations must obtain additional funds from their own members, from sales or other fund-raising devices.

APPROPRIATIONS TO COMBAT TUBERCULOSIS

Mr. WILEY. Mr. President, I have received an urgent message from the Wisconsin Anti-Tuberculosis Association, a grassroots organization which has done invaluable work in my State, along with its associated groups throughout the Nation, in combatting tuberculosis.

The association recommended a change in the appropriation for the coming fiscal year in the tuberculosis program, as against the version recommended by the Senate Appropriations Committee.

I ask unanimous consent that the text of the association's telegram be printed at this point in the body of the RECORD.

I may say that I have received similar messages, including a telegram from Dr. John D. Steele, of Milwaukee, Wis., along this same important line. I earnestly hope that the association's position will be sustained by the Senate.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MILWAUKEE, WIS., *June 7, 1955.*
Senator ALEXANDER P. WILEY,
Senate Office Building,
Washington, D. C.:

We believe Senate Appropriations Committee erred in reducing $1,500,000 grant for direct operations tuberculosis program, Public Health Service, to $1 million. Reduction hurts vitally important research and limits necessary consultation services to States. We urge holding this appropriation at $1,500,000 and grants to States at $4,500,000.

WISCONSIN ANTI-TUBERCULOSIS ASSOCIATION.

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER

The Senate resumed the consideration of the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

Mr. MALONE obtained the floor.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Nevada desire that there be a quorum call?

Mr. MALONE. I suggest that there be a quorum call.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MALONE. Mr. President, I yield myself 40 minutes.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senator from Nevada is recognized for 40 minutes.

COPPER—PRINCIPLE OF FREE TRADE VERSUS FAIR AND REASONABLE COMPETITION — PROTECT AMERICAN WORKINGMEN AND INVESTORS—EQUAL ACCESS TO THEIR OWN AMERICAN MARKETS

Mr. MALONE. Mr. President, the extension of this act is a national policy effectively preventing any privately financed American groups or interests from entering the domestic copper mining field without Government financing, guaranteed unit price, or short amortization periods, or all three.

The reason why private capital cannot enter this field in the United States without a definite principle of protection established by Congress is that lower cost production from Africa and South America can effectively undersell any copper produced on the American wage standard-of-living level.

"ONE WORLDERS" DEPRIVE UNITED STATES WORKERS OF LAST PROTECTION

The "one economic worlders" have made more progress during 1955 than ever before in our history. They have succeeded in removing the last vestige of protection for the American workingmen and investors from the foreign low-wage standard-of-living workers.

The 84th Congress is continuing the open door to American markets for the low-wage standard-of-living nations of the world through the 3-year extension of the 1934 Trade Agreements Act.

CONGRESS' CONSTITUTIONAL RESPONSIBILITY TO THE PRESIDENT

It has put the stamp of approval on the 1934 Trade Agreements Act, a transfer of the last important function of the legislative branch of our Government to the executive branch—that of the regulation of foreign trade and our domestic economy—and the approval of trade treaties by a two-thirds vote of the Senate of the United States.

It comes now with H. R. 5695, a bill already passed by the House, extending for 3 years the free trade on copper.

TWO WAYS TO REVIVE UNITED STATES COPPER EXPLORATION OUTLINED

There are two ways by which prospecting and exploration for copper in this Nation may be resumed:

First. A flexible duty or tariff adjusted on the basis of fair and reasonable competition—not a high or low tariff, but the difference between the effective wages, taxes, and the general cost of doing business here and the wages, taxes, and cost of doing business in the chief competitive country, in the case of each product. That difference should represent the duty. Such duty gives to workingmen and investors equal access to their own markets.

Second. A Government guaranty, over a period of years, of a substantial unit price over a period of years sufficient to amortize the investment of the Federal loans or grants, or both. In this connection, the San Manuel copper property, in Arizona, received a $94 million-loan and guaranteed unit price per pound for its production.

Mr. President, Congress has adjusted neither in principle, but has continually nibbled at both, so that the procedure is neither fish nor fowl. The existing duties or tariffs, after 22 years, are well below the differential of cost production between this country and the chief competitive nation, on each product, and have followed a haphazard and sharpshooting method of Government financing, through guaranteed unit prices and short amortization periods, in addition to the loans or grants of substantial amounts of capital.

THIS NATION COULD BE SELF-SUFFICIENT

If the present 36 cents a pound price could be established by the Government over a 20-year period, with an esculator clause for inflation, then well within a 10-year period we would be producing all the copper this country could possibly consume.

The same result could be brought about by the defeat of this proposal to extend the suspension of the duty on copper, as provided by H. R. 5695, and by the President canceling the trade agreement on copper which cut the duty from 4 cents a pound to 2 cents a pound, and referring the matter to the Tariff Commission, the rate to be fixed by it on the basis of fair and reasonable competition, making it flexible so that when the living standard of the competitive nation went up the duty or tariff would go down; and so that when their living standard approached ours, free trade would be the automatic and immediate result.

PRESENT NATIONAL POLICY PREVENTS FAIR AND REASONABLE COMPETITION

Our present annual consumption is approximately 1,500,000 tons. We might easily require 2 million tons per annum within 20 years or less.

The same general result could well be obtained by Congress reestablishing the principle of a flexible duty or tariff to be continually adjusted by the Tariff Commission, an agent of Congress, on the basis of fair and reasonable competition.

The extension of this act is a part of a national policy which effectively prevents fair and reasonable competition.

PRESENT POLICY BARRIER TO PRIVATE INVESTMENT

The principle of fair and reasonable competition, that is the adjustment of duties or tariffs to make up the differential in costs, is the only principle that will bring private money into the business. Properly executed by the Tariff Commission, the principle guarantees equal access to American markets for American workingmen and investors.

NO HIGH OR LOW DUTY OR TARIFF

No high or low tariff is included in the principle of adjusting the flexible duty on the basis of fair and reasonable competition. The duty represents the cost differential, determined by the effective wage standard of living, taxes, and other business expenses in this country, as compared to those in the chief competitive nation with respect to each product.

Executive order control has been substituted for this principle. Without such a principle, and with our market control subject to Executive orders and multilateral trade treaties under the Geneva General Agreement on Tariffs and Trade, the opportunities for graft, corruption, and special influence through control of imports is unlimited.

NATIONAL SECURITY LINKED WITH DEFENSE OF WESTERN HEMISPHERE

The chief overriding interest of the 21 Western Hemisphere nations is defense of the Western Hemisphere. Each of these nations should manage its own economy, dealing with one another as the best economic interests of each country dictates.

Our future is irrevocably linked with that of the Western Hemisphere. Our trade future is in South America. It is not in old Europe. Among the 21 sovereign nations of the Western Hemisphere, each is, and should be, truly sovereign.

We should not try to push them around, and they should not try to direct our actions, for each is equal in its own sovereignty.

CHILEAN LEADERS LAUDED

I have traveled the length and breadth of South America, visiting every nation in that great area, and have met most of their statesmen and leaders. I have enjoyed the hospitality of Chile, the principal copper-producing country of South America, and admire its statesmen and leaders.

The President of Chile, Carlos Ibanez, is a fine, capable man. He has the best interests of his country at heart, and is making notable progress toward establishing a favorable investment climate.

UNITED STATES COPPER COMPANIES OPERATING IN CHILE EFFICIENT

The two copper companies doing business in Chile and in the United States are efficient and well managed, and the executives of both companies have the best interests of their companies at heart, and serve those interests well. Both have large, successful production enterprises in my State.

The principle of fair and reasonable competition for trade between countries is for their own protection, and for the protection of the companies or individuals involved, since South Africa can undersell producers in both North and South America, thus threatening not only the investments and workingmen in both areas, but the defense of the hemisphere.

A duty of 2 cents a pound, which would be the existing duty were it not for the extension of the suspension of the duty, would be at best only a slight token. There is before the Senate today a proposal to extend the suspension of the duty of 2 cents a pound.

EQUALIZE DIFFERENCE ON WAGE—STANDARDS OF LIVING

The difference in production costs should be the guiding principle of fair and reasonable competition. Even the original duty of 4 cents a pound might or might not be sufficient to equalize the cost of production. The flexibility of the tariff, or the excise tax, adjusted on the basis of fair and reasonable competition, would have not the slightest effect on the imports of copper into this country when needed, but would guarantee to American workingmen and investors equal access to their own markets.

H. R. 5695 A TROJAN-HORSE BILL

Mr. President, H. R. 5695 is a free-trade Trojan-horse[1] bill. It is a bill to continue total free trade on foreign copper at the expense of American miners, potential producers, and taxpayers. What makes it a Trojan-horse bill is that it is the freetrader's approach to scuttling permanently all tariffs and protection for American private enterprise. Destroying even the small existing protection for copper is only a step toward following the Geneva General Agreement on Tariffs and Trade with respect to other metals and products of which America produces a substantial amount, thus stifling all incentive for new private capital in financing, prospecting, and exploration for new production in this Nation, and turning the market over to foreigners and importers.

"ONE-WORLDERS" GOAL IS TOTAL FREE TRADE

The ultimate goal is all-out free trade without regard to the difference in the wage standard of living, sacrificing American investment and workingmen to foreign interests. This bill, of course, goes far beyond the 1934 Trade Agreements Extension Act which the House and Senate recently passed at the request of the administration. The Extension Act permits the President—actually the State Department—to cut duties of tariffs another 15 percent over a 3-year period.

ENACTMENT OF H. R. 5695 BRANDS 84TH A FREE-TRADE CONGRESS

The pending bill would wipe out tariffs on copper entirely for another 3-year period, setting the precedent for all American products. The Congress, if it passes the bill, must assume total responsibility. Enactment of the bill would brand the 84th Congress a free-trade Congress, going even beyond the Geneva General Agreements on Tariffs and Trade, and beyond the free trade advocacy of the administration.

DIFFERENCE IN THE PRINCIPLE

The difference is that of principle. In adjusting flexible duties on the basis of fair and reasonable competion we hold our wage standard of living while assisting foreign nations to raise their own. But under the free-trade principle as operated by the Geneva General Agreement on Tariffs and Trade under the authority granted the President by the 1934 Trade Agreements Act, our standard of living can be brought down to the world standard.

Free trade in copper has been a continuing policy of the Congress since 1947.

In 1932 the Congress fixed a duty or excise tax on copper of 4 cents per pound. With copper selling for 6 cents a pound it meant an ad valorem tax of 66 percent. The State Department reduced that duty to 2 cents a pound through GATT, the 34-nation Geneva agency aimed at American markets and producers.

With copper at the present price of 36 cents a pound, the duty would now amount to 5½ percent ad valorem had it not been suspended.

All duty on copper was suspended in 1947 for 2 years, the same year the Geneva agreement was adopted. In 1949 it was suspended for 1 year and periodic suspensions have continued. This bill proposes a further suspension to June 30, 1958.

EARLY WARNING GIVEN ON HARMFUL EFFECTS OF TARIFF SUSPENSION

When the initial suspension bill was under consideration in 1947, Mr. President, the then chairman of the Senate Finance Committee [Mr. MILLIKIN] asked a pertinent question. He asked it of an important witness, Mr. John A. Church, a consulting mining engineer.

Said the chairman:

If the domestic industry got the notion that the proposed extension was merely a Trojan horse to a permanent extension, what effect would that have on exploration?

Mr. CHURCH. I am afraid a very bad effect, Mr. Chairman.

TEMPORARY "EMERGENCIES" USED TO PUT OVER COSTLY PERMANENT LEGISLATION

Mr. President, the supposed temporary legislation to continue for only 2 years was, of course, a Trojan horse to permanent free trade.

In that respect it is like the 1934 Trade Agreements Act, which was said at that time to be a temporary emergency measure, but which has continued for 21 years, and, because of recent congressional action, is to continue for another 3 years.

Free traders will continue to make it permanent by periodic extensions until the American people wake up to what it is costing them in taxes, jobs, and investments.

FOUR-YEAR FOREIGN-AID HOAX RUSE FOR PERMANENT GIVEAWAY POLICY

The foreign-aid program is a fine example. It was to continue for 4 years only and then terminate, and was to cost not more than $17 billion, but which has now cost more than $50 billion, and is recommended by many prominent Government officials and by all "one-economic-one-worlders" as a permanent policy.

Foreign aid has continued now under one guise or another ever since the end of World War II; has cost the American taxpayers more than $50 billion; and, if Mr. Harold Stassen, the administration's Santa Claus to foreign nations, has his way, will go on forever.

PRO-FOREIGN-GIVEAWAY PROGRAMS ALL FOLLOW SAME PROPAGANDA PATTERN

All these have been Trojan-horse measures, Mr. President; all have been put over on the American people by the same trick—propagandizing the American people and the Congress that they are designed to meet some emergency or crisis and are only temporary.

When the time comes for them to expire, a new crisis or emergency is invented, new fears or new blackmail threats from foreign countries are created, and the measures are continued.

So, to all purpose and effect, these Trojan-horse measures are all permanent, and will remain permanent until the Congress comes to its senses and begins putting American interests above foreign interests.

That is what the Congress has not to date been disposed to do. All of the 1-year, 2-year, or 3-year Trojan horses have been taken to its bosom, welcomed into our national life and policy, and made a permanent part of our foreign policy. We constantly hear the remark made, "Well, we have been doing this for years; we have been extending the suspension on duties on copper for years. Thererfore, we should continue it.

FOREIGN-TRADE-AID POLICY BASED ON FOREIGN IDEOLOGIES

All of the Trojan horses are alike, too, Mr. President; all of them were conceived and built on foreign ideologies. Free trade, share the wealth, colonial integrity, and international socialism—all are foreign concepts.

All are aimed at reducing America's prosperity and wealth to a world level, lowering American wages to the world

[1] In Greek mythology the hollow figure of a horse, in which a number of Greek warriors were hidden, introduced within the walls of Troy by a stratagem.

wage rate, and lowering American production to a point where we will become dependent on foreign cartels and foreign slave-wage products for our existence.

UNITED STATES RICH IN COPPER BUT FOREIGN METAL POURS IN

Copper is only one example of the efforts to put foreign interests above American interests, Mr. President, but it is a very significant example.

The United States is rich in copper.

Charles H. Johnson, Chief of the Base Metals Branch, Bureau of Mines, testified before the Minerals, Materials, and Fuels Economic Subcommittee of the Senate Committee on Interior and Insular Affairs last year:

United States known reserves are estimated as about 25 million tons, or 27 times the 1952 production: New discoveries and new technology are expected to add many millions of tons of copper to these reserves in coming years.

That statement is true, of course, only if America's copper industry is permitted to survive.

MINORITY REPORT ON H. R. 5695 CITED

As I pointed out in my minority views on the pending bill, H. R. 5695, and as I have pointed out in my minority views on previous extension bills, free trade in copper has removed the incentive for finding new deposits through prospecting and exploration.

When a 4-cent-a-pound duty on copper existed, it pointed the way to more prospecting and exploration for the red metal and to new capital investments in the copper-mining field. That era has now ended, and there will be no change for the better if this pending free-trade Trojan horse bill is passed.

We also have a world of copper in South America. If any imports of copper are needed at all until we bring in new copper mining areas of our own, we should obtain it from our good neighbors to the south. We do obtain much of our foreign copper from South America—areas we could defend in time of war.

COPPER IMPORTED FROM AFRICA, ASIA—AREAS WE COULD NOT DEFEND IN WAR

But we also are importing copper from Africa, Asia, Australia, and Europe, particularly from Rhodesia in South Africa, where the cost of producing copper, according to testimony that has been presented in hearings, is 9 cents a pound, or only one-fourth of price today in the world market.

A 2-cent-per-pound import fee on copper would still give the Rhodesians and the importers a 25-cent per pound profit margin, which I am sure any producer would consider very substantial.

H. R. 5695 GRANTS FOREIGN PRODUCERS, IMPORTERS TREMENDOUS WINDFALL

The pending bill, therefore, is a bonus bill for foreign producers and importers. It is a windfall bill.

On May 27, the distinguished Senator from Delaware [Mr. WILLIAMS] discussed a windfall profit of $400,000 which he said had been given to 3 copper companies by our Government. It was a very informative and excellent presentation.

The windfall which he estimated has been received by these companies as a result of Government manipulation amounted to $400,000.

Four hundred thousand dollars is a significant amount of money, Mr. President, but it is an infinitesimal amount compared by the windfall that has been given to foreign producers and importers.

ONE HUNDRED SIXTY-FOUR MILLION, TWO HUNDRED THOUSAND DOLLARS WINDFALL TO FOREIGN COPPER BORNE BY UNITED STATES TAXPAYERS

By virtue of the 2 cents per pound tariff suspension on copper which we are asked to extend today, our Government has given producers of foreign copper since 1947 a windfall of millions of dollars and sets the stage for a monopoly production since the price per pound can be manipulated to prevent competition.

Imports of copper for consumption in 1947 amounted to 453,000 short tons. A short ton is 2,000 pounds. Imports for the 7 years since then have averaged slightly over 586,000 tons, for a total of 4,105,000 tons or 8,210,000,000 pounds. With the 2-cents per pound tariff taken off by Congress, Congress has thus given these foreign producers and importers a windfall of $164,200,000 in 7 years, or an average windfall of $23,457,000 per year. But the most dangerous result of this manipulated policy is that independent private investments are prevented. American jobs are controlled—and South African competition could later force out Western Hemisphere production and make us dependent upon areas not available in time of war.

TARIFF LOSSES ADD TO UNITED STATES TAXPAYERS' HEAVY BURDEN

The American taxpayers, Mr. President, get no windfalls.

It must be remembered that the duty or tariff also brings in revenue for our institutions which foreign areas would otherwise not pay, and assists our harried taxpayers.

CONSTITUTION GAVE CONGRESS FULL TAXING POWER

A tariff is a tax on imports. That is what it is. When the Constitution in article I, section 8, gave Congress power over taxes, it gave them power over imposts and duties, meaning tariffs. The tariff power was a revenue power, and an economic power, vested solely in the Congress, as the representatives of the people.

Tariff taxes through many years supplied a substantial part of the revenues on which we operated our Government. Tariffs were also used, with the approval of our first President, George Washington, to encourage American production. Congress has now turned to encouraging foreign production at the expense of our workingmen and investors.

EXECUTIVE BRANCH NOW SETS TAX RATES WITH HELP OF PLIANT CONGRESS

The income tax turned on the faucet for successive administrations to tap the American people for whatever taxes they could induce a pliant Congress to impose.

The first income tax was very low. That was another Trojan horse piece of legislation.

Most Americans were exempted from any tax at all and the few who did have to pay an income tax paid only small rates.

TAXES ON FOREIGN IMPORTS CUT 75 PERCENT WHILE TAXES ON UNITED STATES CITIZENS MOUNT

Since then successive Congresses, with 1 or 2 exceptions, have increased income-tax rates, or continued wartime rates during peacetime.

The American people have had to pay out more and more to support the Government, and have had to pay it out of their resources, investments, earnings, and incomes.

But during the same years that American citizens have had to pay more and more in taxes, foreigners have had to pay less and less.

In 1934 the Congress authorized the President to reduce taxes on imports by 50 percent. This was a tax boon for foreign producers and importers, a special-privilege segment if there ever was one.

In 1947 the President was empowered by Congress to reduce the tax on foreign producers 50 percent more, or half of the remaining tax. In other words, the Congress cut taxes on foreigners 75 percent while taxes on American citizens have been constantly increased.

PRESENT CONGRESS AUTHORIZED FURTHER 15-PERCENT TAX CUT ON IMPORTS FROM FOREIGN COUNTRIES

Recently the Congress passed legislation to permit the President to make a further 15-percent tax cut to foreigners over a period of 3 years.

The same administration that wanted a 15-percent tax cut for foreign producers and foreign investors, has opposed any tax cut in this Congress for Americans, and the Congress has concurred in the administration's wishes.

H. R. 5695 MORE THAN TAX CUT—IS TAX ELIMINATION ON FOREIGN COPPER

The pending bill is more than a tax cut. It is a tax elimination on all imports of copper.

The bill follows the principle of the past three administrations—tax cuts for foreigners or producers of foreign goods in foreign countries, high taxes for Americans.

There has been only one slight tax cut for Americans since the Korean war, and that one was voted during the Korean war. Foreigners are to receive a 15-percent tax cut on the goods they ship to the United States. Foreign producers, in addition to tax cuts, also have received more than $50 billion in foreign aid to build up competition against American producers and are to get approximately three and a half billion more during the coming year.

SUBSIDIES FOR FOREIGNERS, HIGH TAXES FOR AMERICANS, ADMINISTRATION POLICY FOR 22 YEARS

There is already a backlog of $9 billion voted by Congress to subsidize foreign countries in this competition, in contrast to virtually no backlog to subsidize American producers.

Subsidies for foreigners and taxes for Americans seems to be the prevailing theory of the past 22 years.

Mr. President, in 1954, 604,000 tons of copper were imported into the United

States for consumption from Africa, Asia, and South America.

This is the equivalent of 1,208,000,000 pounds on which the 2 cents a pound tariff had been suspended by the Congress. This, of course, gave the foreign producers and importers a $24,160,000 windfall, a windfall which the pending bill would continue for 3 years at the same volume of imports.

AMERICAN PRODUCTION DROPS AS FREE-TRADE POLICY ON COPPER PREVAILS

Domestic production in 1954 declined in value $34,018,726 from the previous year. In other words, American production slips while foreign production gains under the policy this bill would continue. American producers of copper in America lost $34 million, while producers in foreign countries gained a windfall of $24 million. Copper values, I may add, shrank in 1954 in Arizona, California, Montana, New Mexico, Washington, and Utah.

Not only did producers of copper in America lose, but American workers lost, investors lost, communities lost, and States lost—while foreign labor, investors, producers, and governments gained.

Americans will continue to lose and foreigners to gain if this bill is enacted to give foreign producers and importers a 2-cents-a-pound bonus on every pound of copper they send to the United States.

Mr. President, it is time for the Congress to start thinking for America and about America.

AMERICA SUFFERS AS CONGRESS PREOCCUPIED WITH FOREIGN PROSPERITY AND WELFARE

During the entire 84th Congress we seem to have been preoccupied with foreign prosperity and foreign welfare to the disadvantage of American citizens and producers.

The foreign-aid bill was a 100-percent proforeign bill.

The trade-agreements extension bill was a proforeign bill.

The pending legislation is proforeign.

Other bills to come before us, the so-called customs-simplification bill, the deceptive legislation to authorize a new international trade organization under the guise of an international organization for trade cooperation, and the bill to cut income taxes on American investors abroad, are all bills favoring producers in foreign countries at the expense of America's labor, investors, and taxpayers.

They are all Trojan-horse bills.

H. R. 5695 CONTINUES PREFERENCES TO FOREIGNERS AT EXPENSE OF AMERICANS

The bill before us today is precisely in the same category. It grants preferences to foreigners at the cost of American production, American free enterprise, and American security.

Why should a foreign copper miner in Rhodesia be given concessions to market his slave-wage labor-produced copper in America, when all of us know that African copper would be cut off completely in time of war?

Mr. President, I have consistently fought this bonus windfall to foreign producers outside the Western Hemisphere.

1949 TESTIMONY OF SENATOR MALONE RECALLED

I was not a member of the Senate Committee on Finance in 1947 nor in 1949 at the time of the hearings. But was privileged to present testimony and a statement at the 1949 hearings.

At that time I said in part:

We have transferred the copper jobs from the independent copper mines of America to Chile, South America, and Africa. We all know with the $2 and $2.50 labor in Chile, they can produce copper much cheaper than we can here. They can add the freight to it and still the wages must be substantially lowered in this country to meet the low-wage living standard foreign competition.

What we do when we remove the import fee on copper or any other mineral, when we lower it on textiles, or precision instruments or any other industry, is to say to the workingmen of America that we are lowering the floor under wages.

Since that date the Chilean Congress at the behest of the president of that sovereign nation have moved toward an investment climate through a fairer exchange and other corrections.

In 1953, as a member of the Senate Committee on Finance, I again testified, and also submitted a statement.

STATE DEPARTMENT HELD RESPONSIBLE FOR DOMESTIC COPPER LAG

One of the proponents of free trade in copper had pleaded that the duty should be taken off because we were short of copper. I said:

The reason that we are now short of copper is because the irresponsible State Department, to which the constitutional responsibility of Congress to regulate foreign commerce has been transferred, lowered the tariff and made it impossible to get investment capital into the industry.

Congress has politely transferred its authority to the State Department to do this thing to all industry, not only to the mining industry but to the textile and other industries.

In my statement to the committee I covered in greater detail the situation confronting the mining and other industries of the United States.

I ask unanimous consent to have printed in the RECORD my statement of February 4, 1953, on the almost identical extension bill which was before the committee at that time proposing a continuance of free trade on copper imports.

SENATOR MALONE'S 1953 STATEMENT ON COPPER EXEMPTION REPRINTED

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. GEORGE W. MALONE, A UNITED STATES SENATOR FROM THE STATE OF NEVADA

Senator MALONE. Mr. Chairman, I want to say that in my opinion the Finance Committee of the United States Senate can and should be the safeguard of the economic system of this Nation. The question particularly before us today is that of foreign trade.

RESPONSIBILITY OF CONGRESS

The Constitution of the United States charges the Congress with the responsibility of regulating foreign trade and this committee is charged generally with the subject that is covered by the bill before us that relates to foreign trade.

Mr. Chairman, the whole tone of the President's message yesterday laid down the policy of constructive plans to encourage the initiative of our citizens. He was equally positive in rejecting secret military treaties at Yalta, Tehran, and Potsdam. While he did not mention the name of these places, it was generally taken for granted that he included them.

The President could well have included secret economic treaties made at Geneva, Switzerland, and later at Torquay, England, by that same State Department.

NO AMERICANS ALLOWED

Mr. Chairman, no American workers, investors nor Members of Congress were allowed to attend the Torquay economic conference sponsored by our State Department any more than they were allowed to attend the military conferences at Yalta, Tehran, and Potsdam. It was under these conditions that the agreement was made with Chile at Geneva, Switzerland, to reduce the tariff on copper. The floor under wages and investments in that important industry of 4 cents per pound reduced to the arbitrary and meaningless amount of 2 cents a pound.

LONG RANGE WAGE EQUALIZING POLICY NEEDED

Now, Mr. Chairman, the crux of the question seems to be whether the Congress should resolve the equalizing medium between the wage standard of living, here and abroad, whenever the foreign price is higher, or whenever we do not produce sufficient copper.

In other words, the point has been made here several times that you only need a tariff on a product when you have an oversupply.

OBJECTIVES—STATE DEPARTMENT

To arrive at a wise conclusion, objectives must be clear and well defined. The objectives of the State Department have been clearly to admit certain products of their own choosing of the foreign low-wage standard of living for the products produced by our own standard of living working people, and therefore remake the industrial map of the United States of America.

It is easy to do that. By manipulating that protection that makes up roughly the differential between the wage living standard here and abroad, you can remake the wage standard of living in this country and we have been engaged in doing that for 20 long years. The thing they have done in many cases to hold this industry to a certain point and not let it fail entirely—and we are talking about minerals, which is in that field—was to provide certain kinds of subsidies, and when we have emergencies—and they have had them almost continuously—to fix prices, premium prices, short amortization periods, guaranteed unit prices, loaning the money direct to the operator, and many other subterfuges to keep the industry from dying entirely but not allowing it to stand on its own feet. Such a fallacy as the State Department has followed puts all investors in jeopardy and discourages venture capital in the particular business and the policy discourages such investments in the business since it is a sharpshooting method and no assurance can be given any business that it will not be the next on the list.

CONGRESS DISCOURAGES PRIVATE INVESTMENTS

I might say that Congress, to the extent of its machinations in the copper field and other entries into this field has encouraged that feeling. Congress has in its power to lay down the principle upon which the protection of the workingmen and investors will be based that will encourage the investment of venture capital.

Venture capital is the only kind of capital that goes into a mining business until the soundness is proved in that particular mine. In other words, it is just like a wildcatter in the oil field, the prospector, and the explorer.

Unless they have reasonable assurance that over the long years stretching ahead of them, where they have been spending money without return, that when they find this ore there will be an adequate return, then the money will not be spent.

FLOOR UNDER WAGES AND INVESTMENTS

Such a floor under wages and investments should be flexible and adjusted on the basis of fair and reasonable competition and should be, Mr. Chairman, without any doubt, in the hands of an agency of Congress. It always was in the hands of an agency of Congress, created by Congress, created by the legislative branch of the Government—not the executive branch of the Government or the judicial branch of the Government, but by the legislative branch of the Government. That was the Tariff Commission.

Now whatever you call it, whether you call it a foreign trade authority or Tariff Commission, that is immaterial. Whether you call a tariff a cow or an orange or an import fee it does not make any difference. The principle is there and must be maintained if you are to maintain your standard of living without a continual war, or emergencies, upon which you can base your reason for continually raising taxes and issuing more bonds to buy everything in sight.

OBJECTIVES—CONGRESS

The objective, Mr. Chairman, then of the Congress would be to maintain our own economic integrity and encourage the domestic production of strategic minerals and materials in the interests of national defense and our national economy.

My concern, Mr. Chairman, is to develop new copper supplies in the United States. In the mining industry you must have prospectors. You must have investors who are willing to put up their money for exploration. To keep these men in the field at their own expense they must have reasonable assurance that they are not going to be destroyed from Washington, either by the legislative or the executive department.

I point out again, the executive department is always fighting for more power. I hope we have passed the peak of that fighting for power, and naturally, of course, the Congress in days gone by probably fought for power. Even the Supreme Court has been accused of trying to make law through decisions. I am not a lawyer and I will not comment on that.

CONGRESS SHOULD REGAIN ITS CONSTITUTIONAL POWER

However, if we could just get back to the Constitution of the United States and let the Congress of the United States regulate that which it says it must regulate, in this case I feel there would be very little difficulty.

To keep these men, exploration organizations and prospectors, in the field at their own expense, they must have reasonable assurance that they are not going to be destroyed from either the executive or the legislative department in Washington. To have large mines you must first have small mines. For small mines you must have prospects.

PROSPECTOR—SMALL MINE—LARGE MINE

I would say over 35 years of observation and experience, perhaps 500 prospects may yield a small mine. Every one of those prospects represents the buried hopes of some prospector. Perhaps he goes on, gets another stake and goes to another prospect. While he is digging in that prospect and until it inches out on him or until someone convinces him it is hopeless, his full hope is buried in that one prospect. Five hundred of them would be a minimum for a small mine.

Perhaps 100 small mines—a prospect where some engineer might come in and recommend a company with whom he has connections or an individual would spend $500 or $1,000 or $5,000 or whatever it would take—take 100 of those small mines and it would produce a larger mine. I expect if the record were searched, it would be nearer 200 or 300. All along are strewn the hopes of these men who are trying to do this. Why do they stay with it? They do it because prospecting, exploration, and mining gets to be a disease once they are in it and they have that bag of gold or they think they have it at the end of the rainbow. That is what keeps them going. Lately we have not been developing many of those men because for 20 years there has been no hope. Instead, what you do is move into Washington and try to get next to some Government department to loan you the money and guarantee a unit price and a short amortization period and maybe other emoluments so that what you are doing is furnishing the know-how—if in fact you have it and a lot of them get the money who do not have it. The result is that the taxpayers of the United States are in the business whether they like it or not. That, of course, we have all kicked about, that that is one of the reasons why taxes are too high and appropriations are too high.

GOVERNMENT DOES NOT PAY TARIFF

The Government does not pay the tariff. That has been established here before this committee time and again. That is true on any product imported for the use of the stockpile. The President has that power and the power has been exercised.

If any material is imported by a private concern selling its products to the Government for national defense, the tariff would be paid to the Government and charged back to it through the manufactured product. In any case, the cost of the raw materials in proportion to the labor and other costs going to the manufactured article is comparatively small.

I want to refer briefly here to a remark that is made in editorials and articles in newspapers, who either mistakenly or otherwise support such a policy, to the effect that the original tariff was $40 a ton on copper. That sounds like an awful lot of money. But I would point out that the tariffs on the brass products that are manufactured are 15 or 20 percent. There is copper in something like a lipstick that costs a dollar, the copper content would be so small you can hardly measure it, but still, let us say it was half an ounce. What would 50 cents of ad valorem on that, amount to per ton? Nearer $10,000 or $15,000 a ton, I would say. So I agree fully with Senator FLANDERS that it has no possible connection with the flow of copper.

NEED CONSISTENT CONGRESSIONAL POLICY

Of course, the point is continually made and has been made before this committee this time, and it was made 2 years ago when this matter was up for extension, by the advocates of free trade on a certain product, that since we do not currently produce enough copper for our own use, we must eliminate the protection to the domestic producer. In fact concerning any product which is in short supply, free trade should be the rule.

The point is further made that when we reach the point of full and adequate domestic production for the domestic market, then such product or industry must have protection.

The utter fallacy and futility of such a policy is fortunately readily apparent. The argument falls of its own weight. The conclusion is inescapable, if you take that philosophy, then, that if they believe that in the fields of minerals, precision instruments, crockery, and dozens of other essential products and industries, such industries must, prove their ability to produce to the saturation point of the American market in competition with the products of low-wage foreign labor before protection will be afforded them.

CHURCHILL CLAIMED THE "TRADE, NOT AID" SLOGAN

It is a preposterous statement. They are selling it to the country through such slogans as "reciprocal trade," "trade, not aid," and all the preposterous slogans that, in the first place, Americans rarely invent. The last one, "trade, not aid," is the only one recently that I have seen Mr. Churchill claim. He said when he landed in America that what they meant by "trade, not aid," was lower American tariffs. I quoted him in a release.

In other words, it was not an American slogan. I have a pile of photostats from national magazines and editorials which covered this country nearly a foot deep immediately following the election. Mostly they were in the weeks immediately following the week of the 17th of November. That week was the thickest wave that went out, selling "trade, not aid."

In other words, they were telling us to milk the taxpayers of this country and give them the money.

They would let us off the hook for a certain amount of that money if we would give them our markets or a source of the income that we have.

REQUIRES YEARS TO DEVELOP A MINE OR A MINER

It requires, as I have already stated, years to develop a mine or a miner. A miner is like a watchmaker or is like a mechanic or anyone else. It takes years to develop a good one. Mere technical information is not sufficient. Nor is it very much necessary. Experience is necessary for a workingman in a mine.

Four or 5 years is necessary to develop a mine.

Mr. Chairman, I have worked in the mines. I have worked in the mills.

The first job I had in a mill was using a No. 2 shovel on a concrete floor, on the mill floor. I finally worked up to the filters, which is not a highly technical job. You do not have to understand all the effects of the chemicals but you have to know the proportions to mix. Many of us learned that before we went to the universities.

You cannot develop, as I have already said, a mine during an emergency. It has to be done over a period of years. The history of nearly all the large mines will show anywhere from 3 or 4 to a half-dozen organizations and individuals who have wrecked themselves and their fortunes in working on these things. They have taken up a homestead. It sounds nice to take up a homestead out in the sagebrush. About the third fellow who gets it will make something out of it. The other two fade out of the picture for some reason.

The representative of the Tariff Commission here yesterday testified that some of the mines the Government is financing or supporting in one way or another would require as long as 7 years to bring into production. I would say that is not uncommon. I think they are very lucky and they will find these mines they are bringing in like the Yerington one were very well prospected, as much as could have been done with nominal finances, long before these companies came in who now have the Government's support. I would say they would be lucky if they could do it within 7 years, and after all the work had been expended.

Anaconda Co. would take about 5 or 6 years, counting their exploration work and expenditure, before they go into production.

As a matter of fact, they went through all this work before they were even willing to take the money from the Government and the short amortization period and go to work for them.

NEED GOING-CONCERN MINING INDUSTRY

Mr. Chairman, you are from a mining State and you know the record is a familiar one in the development of mining properties. This time that it takes to develop a mining property; a long time is the rule and not the exception. Nothing but experience develops a prospector or a miner. Years and not months are required for the job. Therefore we must have a going-concern mining industry. How can you do that? By a Congress whose duty it is establishing a definite policy relating to the domestic production and foreign production and foreign trade and allowing such policy to become the settled principle upon which the potential investor of venture capital can depend. Congress set the precedent in establishing the Interstate Commerce Commission on principle. The railroads had for many years treated shippers as individuals making concessions as pleased them, every road having a different rate in many cases and almost a different rate for every principal shipper.

CONGRESSIONAL POLICY SIMILAR TO ICC

Congress established the ICC, the Interstate Commerce Commission, to have jurisdiction over all railroad rates and set down a definite policy to be followed. What was that policy? It was the principle of a reasonable return on the investment. They did not say that a rate should be a certain amount here and a certain amount there, but they said that there should be a reasonable return on the investment, and they set up the ICC to study what that investment was truly, and establish a reasonable return.

Mr. Chairman, I have served 8½ years on a State regulatory body and have held many hearings for the Interstate Commerce Commission. The principle works.

Congress could do exactly the same thing in this field. It could say to the Tariff Commission, or the Foreign Trade Authority, or whatever they wanted to set up with that responsibility—certainly not the State Department—and say to them, "You shall determine the tariff or the import fee, or whatever you choose to call that differential between the production cost in this country and abroad due mostly to the difference in the living standards here and abroad; you shall determine it on a basis of fair and reasonable competition." That is what they could do. Turn them loose. Let them go.

There are competent men in the Tariff Commission. I have not reviewed the list very recently but the only difficulty with them in the last 20 years is that you have had a State Department and a Tariff Commission—at least 2 or 3 members of it—who have definite ideas on how it ought to be done. They have no right to have ideas on how it ought to be done. The Congress should establish the policy as to how they should do it and they are the technicians to do the work.

They do have a right under the so-called Reciprocal Trade Act, which is not reciprocal at all, and the two words do not occur in the act—I guess the committee is entirely familiar with that; it is a 1934 Trade Agreements Act and it is simply an act that transferred from the long experience of the Tariff Commission, the responsibility of fixing tariffs to a State Department that has no interest in, or knowledge of, industry.

They have some foreign policy where they think they can trade certain industries to bring about free trade.

STATE DEPARTMENT ESTABLISHED "FREE TRADE"

Congress did not set this free-trade policy. The executive department set it through the State Department. In other words, the mere transfer of the responsibility of setting these tariffs did not establish a free-trade policy. However, Congress made the mistake of bestowing that power on a State Department that had free-trade ideas. Therefore, they carried them out.

They proceeded, of course, to lower practically all tariffs below that point of the differential of cost of production here and abroad due to the differences in the wage standards of living. That has the effect of free trade, even if it is only a few percentage points below that differential.

Now, Congress in my humble opinion must take cognizance of the effect of transferring its constitutional responsibility to the State Department and regain and accept its responsibility. It must return that responsibility to its own agent, the Tariff Commission. If they want to change the Tariff Commission in any respect, they have full power to do it, and lay down the policy which it is to follow, just as it did in the case of the ICC.

Now, Mr. Chairman, there has never been any question in the minds of the people who want to protect the investor and the workingmen, of a high or a low tariff. You have that thrown at you from every side—that you want to put a fence around the United States; that you want to preclude the entry of all products. Nothing of the kind is contemplated. Of course, an industry may have that wish at times, but no one who is charged with the responsibility of such a policy wants to do it. What they want is a tariff or import fee or whatever you choose to call that differential to be based on a fair and reasonable protective basis where the foreign countries have equal access to our markets but no advantage.

It must return the responsibility to its own agent, the Tariff Commission, or whatever we choose to call its own agent.

The policy laid down should be that of a flexible tariff or import fee, and be continuously adjusted upon the basis of fair and reasonable competition.

There is no tariff on products which we cannot produce or do not produce in sufficient quantities for competition, such as tin, nickel, natural rubber, spices, hemp, and so forth. No one has ever contemplated such a thing. That would simply be a tariff for revenue only.

However, we are past the point of sharpshooting. You cannot say to zinc and lead and copper that you must have free trade because there is short supply.

You cannot say to the textile industry that you will lower the tariff to allow England and Scotland and other competitors to come in with their low-cost labor, but make it unprofitable for those countries to hold their labor costs down.

In other words, if they paid the difference into the United States Treasury a while it would not be long until the wages and the standard of living would go up and create a market in their own country.

THE WOOL INDUSTRY

Now, Mr. President, I want to show further the utter fallacy of the theory that anything in short supply must be free trade. Of course, when you take the tariff off then you are always going to be in short supply.

I just had a wire this morning. I have not seen K. C. Jones, who is the secretary of the National Wool Growers Association for almost a year. This is a wire from Denver, Colo., dated the 3d:

"Allied Wool Industry Committee with National Wool Growers Association, National Wool Marketing Corp., and Western Wool Handlers Association, meeting in Denver today, adopted resolution of policy your statement on foreign trade as made by you in Reno, May 9, 1952."

What was that statement, Mr. Chairman? The wool people of the United States, represented nationally in Denver, your own hometown. What is this principle they adopted on the third? This is it. It is taken from domestic and foreign principles that I laid down in one of my speeches.

"Promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingmen or the American farmer or threaten serious injury to a domestic industry."

Now, Mr. Chairman, to establish the utter fallacy that these things only refer to an industry where there is a full production for the domestic market or an overproduction, I have established here the wool production for the years' domestic production 1949, 1950, 1950–51, and the consumption for those years, both domestic and imported. I wanted to read one of them and submit it for the record.

[Pounds]

Year	Domestic produced	Imported	Consumption
1949	120, 376, 000	272, 503, 000	500, 361, 000
1950	119, 086, 000	466, 848, 000	634, 809, 000
1951	117, 915, 000	361, 216, 000	484, 157, 000

Now, Mr. Chairman, the question of wool is not before us. It will be before we are through. It is a strategic material because we do not produce the amount we need. So what did we do? We passed the tariff in 1947 which was vetoed by the President and then a subsidy encouraged by him or suggested, and we passed it. But the subsidy has long since passed out of all usefulness because it does not make up the difference and we are going out of the sheep business and wool business in the United States of America. Of course, we will never entirely go out of it but there is no incentive to go into it. No one in his right mind is going to buy a band of sheep because of the continual fussing with the tariff in the Congress and in the State Department.

WORKERS' WAGES—CHILE

Now, Mr. Chairman, there was particular reference to the production of copper in Chile, which is the principal exporter to the United States and will be for some time until probably we are in full production or increased production in South Africa. One of our domestic companies is interested in Africa, and I think some English companies and there is a tremendous potential production there. This thing has only started.

The Chilean copper worker receives an average of about 146 pesos per day. The free market exchange of the Chilean peso fluctuates at around 125 pesos to $1. Therefore if a copper worker wanted to convert his wages into dollars he would receive about $1.17 per day. In comparison, the purchasing power of the Chilean copper worker to the American copper worker is $1.17 to $15. We could say roughly $15. There may be some of the wages under $15. Say $11 to $15 in this country. That was the average wage paid to copper miners in the United States for the month of November 1942. November 1952 was the most recent month averaged by the Department of Labor. The figure of $15 per day includes some overtime pay. It is not important except to show it is about one-tenth.

Most of the 35.5 cents paid for Chilean copper goes to the Government of Chile. The purchasing power of the workers' peso is only $1.17 per day, and the copper companies gross only about 8 cents per pound on copper.

I want to say right here, Mr. Chairman, this information is being gained independently of the copper companies who have those contracts, and they are subject to any correction in detail.

(The following was later received regarding the above:)

ANACONDA COPPER MINING CO.,
New York, N. Y., February 4, 1953.

Hon. EUGENE D. MILLIKIN,
Chairman, Finance Committee, United States Senate, Washington, D. C.

DEAR SENATOR MILLIKIN: During the course of the hearing before the Finance Committee on the above bill, reference was made to the low-cost foreign labor in Chile, which is the principal source of imports of copper into the United States, and at the session this morning it was stated by Senator MALONE that this labor was paid 146 pesos per day by the companies operating in Chile.

The company which I represent is a large domestic producer of copper and is the largest producer of copper in Chile. The committee hearing was adjourned at the conclusion of the testimony of Senator MALONE, and I consequently was unable to present the facts in regard to the remuneration received by laborers at the Chile operations. Consequently, I would like to furnish for the consideration of your committee and of the Senate of the United States the following information:

The last month for which I have information at this time is October 1952. During that month the Chile Exploration Co., a subsidiary of Anaconda Copper Mining Co. operating the Chuquicamata mine in Chile, which is the largest copper mine in the world, employed an average of approximately 4,000 laborers on that property working a total during that month in excess of 100,000 shifts. The average cost to the company per shift for such laborers was 584.82 pesos. Converted into dollars at the rate of exchange required to be paid by our company, this amounted to $20.78 per shift, which was the average dollar cost to our company in October 1952 of laborers engaged at our Chuquicamata property in Chile.

This, I believe, would be fairly typical of the labor costs of the companies which export copper from Chile to the United States.

This is substantially in excess of the shift costs in the United States and certainly does not represent low-cost foreign labor. As the result of such labor costs, the per pound cost of our production in Chile substantially exceeds the per pound cost of the low-cost open-pit producers in the United States.

Since the month of October 1952, adjustments have been made which increase the Chilean labor shift costs above referred to. This cost is on the basis of an 8-hour shift.

Very truly yours,

R. H. GLOVER,
Vice President and General Counsel.

Senator MALONE. The net receipts for the copper companies is much less. It costs the copper producer on an average of about $7.54 per day per worker for wages, not including benefits. Yet the purchasing power of the wages for the worker is only $1.17 and the difference goes to the Chilean Government. We are in fact subsidizing the Chilean Government. I am not commenting on whether it is a good or a bad idea, but I am giving you what I believe to be the facts.

Of the current Chilean price of 35.5 per pound, 16.5 cents reverts to the Chilean Government. The remaining 19 cents accrues to the producing companies. The method of imposition of this tax is as follows: A base price of 13.5 cents per pound for electrolytic copper; 13.25 cents for fire-refined copper, and 13.125 cents for Bessemer copper is established by Law 1760 as amended. That portion of the sale price between 13.5 cents and 24.5 cents is divided equally between the companies and the government. It is rather an intricate setup, Mr. Chairman. The companies have, in my opinion, plenty to explain about.

The income received by the companies which is subject to this tax is as follows: Income in excess of 13.5 cents per pound is deductible from taxable income for the purpose of computing income tax.

Now, Mr. Chairman, in closing—and I hope that Senator Danaher, or any member of the copper companies or anyone else may feel free to ask questions. I think I am tough enough to take it and I know it is a tough subject. It is going to get tough.

SAME SITUATION—ZINC AND LEAD

What I am concerned about is that we are going to face the same situation with particular reference to zinc and lead in a very little while. The junior Senator from Nevada has recently been appointed chairman of the Minerals and Fuels Subcommittee of the Senate Interior and Insular Affairs Committee and the distinguished Senator from Colorado, the chairman of this committee is a member of it, and we have our work cut out for us. We cannot read the menu backward. We have to go into this thing and find out what will keep us in the mining business in this country. We have to find out how that principle fits into the principle of other people in the mining business in this country. In other words, how we fit into the intricate economy of this Nation.

FREE TRADE FOR COPPER HAS RAISED COSTS TO UNITED STATES CONSUMER

Mr. MALONE. Mr. President, this year I have submitted further minority views, which are published in the Senate Finance Committee's report on the pending bill. In them I point out that lowering the duty or suspending it has in no way reduced costs to the consumer. If it has had any effect on the consumer at all it has been to raise the price of copper.

In 1954 the average domestic price for copper was approximately 29 cents a pound. The foreign price was 35 cents.

This year the domestic price was boosted to 36 cents by the three major companies producing approximately 80 percent of the domestic supply.

I have no quarrel with this price. It is a fair price. But it is also the world price and world prices of copper have been increased at the same time tariffs were being cut or dropped.

The consumer has not received one iota of benefit from any of these tariff concessions.

NATIONAL SECURITY IMPAIRED BY FREE-TRADE COPPER POLICY

The Nation as a whole has not received any benefit.

Copper is one of the most critical metals affecting our national security. Exploration and development of copper deposits in this country are being thwarted. They are being deliberately thwarted by the free-trade drive to substitute foreign imports for domestic product.

That would not be too dangerous to our security if our imports were confined to South American copper. We can defend the Western Hemisphere.

But it is folly to encourage South African production by imports from Africa. We could not bring in a pound of copper from Africa in the event of an all-out war.

The South African potential is approximately 25 percent of the 2,750,000 tons of annual world production, or about 700,000 tons, and it cannot be protected.

American taxpayers, our own citizens, contributed to the development of the South African copper production. Congress has contributed to it.

CENTURY-OLD AMERICAN POLICY DESTROYED BY CONGRESS

Congress destroyed the century-old principle of protection of the workingmen and investors when it turned over its constitutional tariff-making powers and powers to regulate foreign commerce to a foreign-minded State Department.

The State Department, in turn, turned these powers over to GATT, the 34-nation organization which meets periodically in Geneva, Switzerland.

GATT set the 2-cents-per-pound rate, reduced from 4 cents, which Congress for the past 7 years has eliminated entirely and which the Congress proposes to eliminate entirely for 3 more years.

What does this mean? Either with the 2-cents-a-pound GATT tariff or the no-cents-a-pound free trade voted in the past by Congress, no new individuals or companies dare enter into the business of copper production.

FIELDS OF OPPORTUNITY FOR NEW UNITED STATES MINING ENTERPRISES CLOSED

It would be insane to make new investments in American copper exploration or development when foreign copper dumped on the United States without duty could at any time wipe those investments out.

The small companies already have been largely eliminated.

Three companies today produce 80 percent of all our domestic copper, and seven companies produce 92 percent.

Congress has thus closed off the fields of opportunity for new mining enterprises. It has virtually eliminated the small producers, who given any encouragement or incentive might grow ultimately to be big producers and make important contributions to our security.

Congress likewise has utterly destroyed the century-old principle of protection, as I stated previously, and has foreclosed American free enterprise from engaging in new developments of our mineral resources.

AMERICAN SMALL BUSINESS BEING RUINED BY FOREIGN COMPETITION

Small business is on its way out, not only in the mining field but in hundreds of other production fields; and Congress is to blame. It is Congress that has put every American enterprise into competition with foreign producers with the foreign producers given every conceivable advantage.

The copper producer in Rhodesia does not have to worry about living standards or fair wages. He does not have to pay high taxes to maintain a huge military establishment or foreign aid. The only thing he knows about foreign aid is the aid which in all probability he has been getting at the expense of the American taxpayer.

He does not have to worry about workmen's compensation, unemployment insurance, social-security taxes, or the possibility of paying a guaranteed wage.

He does not have to concern himself with welfare or pension benefits.

All he has to do is to mine his ore with native labor working for a bare subsistence, then dump it on the American market tax free and tariff free.

FREE-TRADE PRINCIPLE HAS COST UNITED STATES TAXPAYERS MORE THAN $50 BILLION SINCE WAR

Free trade is free to foreign countries, but it is the most expensive trade there is from the standpoint of America's security and American advancement.

To help support the free-trade principle we have had to vote more than $50 billion in the past 9 years to foreign countries, giving them the money to buy our goods at the same time they are earning money from us through sales of their goods in America.

We have succeeded in building the prosperity of England and her colonies, France and her African colonies, and other European nations which have colonies, such as Belgium.

PROSPERITY CLOCK TURNED BACK OR STOPPED ON MANY UNITED STATES INDUSTRIES

We have done that at tremendous cost to our own taxpayers, our industries, investors, and producers.

While we have been building up the economy of other nations we have stopped the clock or turned it back so far as many of our own industries are concerned.

In the 3 years of this administration, or 2½ years of this administration to be more precise, we have witnessed the number of distressed areas in the Nation increase from 37 to 156.

We have turned the clock back on our coal industry; on our lead, zinc, chrome, mercury, tungsten, and almost every other metal or mining industry.

We have stopped the clock on our textile industry, glass and chinaware industries, and scores of our other manufacturing industries.

We have stopped the clock on our copper industry, and propose to keep it stopped for 3 more years, having already slowed the clock down, as the statistics show.

1954 UNITED STATES COPPER PRODUCTION LOWEST SINCE 1949

Domestic copper production, primary copper production last year was the lowest since 1949, and for the first time since 1949 dropped below 900,000 tons. It was 828,000 tons last year.

What it will drop to in the next 3 years if we continue this free trade calamity no one can guess. But that it will drop there can be no doubt.

RETURN TO CONSTITUTION AND AMERICAN SYSTEM URGED

Mr. President, let us get back to sanity, and to the American way, the American system, and the constitutional way.

Let the Congress reassert its constitutional responsibility to levy duties and imposts—meaning tariffs—and to regulate foreign commerce.

Let Congress look to America's economy and welfare.

The Congress could well take the first step now. It could restore the 2-cents-per-pound tariff on copper, a tariff that to be truly effective should be the original 4 cents per pound or more.

This is a good time and place to start returning to the constitutional way.

CONGRESS SHOULD END FREE TRADE AND FOREIGN FREE LOADING AT UNITED STATES EXPENSE

The Congress should end this free trade which is killing American free enterprise and incentive.

It should end these windfalls to producers of foreign copper which have totaled $164 million in the past 7 years, and let that money go into our National Treasury for the relief of the American taxpayer.

Foreign imports should be compelled to share the American burden of taxes, as the Constitution intended, instead of enjoying our hospitality on a free-trade basis like free loaders at a banquet.

The pending bill should be defeated.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the marked paragraphs in the minority views submitted by me to the Senate on May 27, 1955.

EXCERPTS FROM MINORITY VIEWS ON H. R. 5695 INCLUDED

There being no objection, the marked paragraphs of the minority views were ordered to be printed in the RECORD, as follows:

TABLE 1.—*Salient statistics of the copper industry, 1919–53*

[All figures in short tons, except price and tenor of ore]

Year	Mine production	Average tenor of copper ores (percent)	Refinery production (primary) from—			Imports (refined) [1]	Exports (refined) [1]	Apparent consumption of new copper [2]	Quoted price at New York [3] (cents per pound)	World production (smelter)	Production from scrap as metal and in alloys		
			Domestic materials	Foreign materials	Total						Old scrap	New scrap	Total
1919	606,167	1.65	716,743	168,341	885,084	17,569	219,080	457,236	18.90	1,095,696	152,600	134,590	287,190
1920	612,275	1.63	591,212	171,871	763,083	54,372	275,613	526,919	17.50	1,057,200	168,960	143,500	312,460
1921	233,095	1.70	304,707	170,682	475,389	34,625	298,059	305,494	12.65	614,600	131,990	85,310	217,300
1922	482,292	1.74	452,335	175,423	627,758	51,572	326,333	448,317	13.56	952,400	202,800	133,100	335,900
1923	738,870	1.58	732,083	257,835	989,918	80,356	364,690	650,237	14.61	1,341,500	270,900	140,000	410,900
1924	803,083	1.59	837,107	292,931	1,130,038	72,955	504,812	677,371	13.16	1,493,600	266,200	122,100	388,300
1925	839,059	1.54	841,448	260,839	1,102,287	49,887	484,033	700,506	14.16	1,546,500	291,010	129,200	420,210
1926	862,638	1.46	865,649	295,594	1,161,243	85,283	428,062	785,068	13.93	1,608,300	337,300	142,500	479,800
1927	824,980	1.41	859,476	303,406	1,162,882	51,640	461,233	711,480	13.05	1,673,300	339,400	150,800	490,200
1928	904,898	1.41	895,899	347,905	1,243,804	42,365	474,737	804,269	14.68	1,880,500	365,500	170,900	536,400
1929	997,555	1.41	991,366	378,690	1,370,056	67,007	411,227	889,293	18.23	2,098,800	404,350	222,200	626,550
1930	705,074	1.43	695,612	382,918	1,078,530	43,105	297,057	632,509	13.11	1,760,000	342,200	125,000	467,200
1931	528,875	1.50	537,303	213,418	750,721	87,225	202,698	451,032	8.24	1,536,000	261,300	85,700	347,000
1932	238,111	1.83	222,539	117,895	340,434	83,897	110,977	259,602	5.67	1,027,000	180,980	67,200	248,180
1933	190,643	2.11	240,669	130,120	370,789	5,432	124,582	339,350	7.15	1,143,000	260,300	77,800	338,100
1934	237,401	1.92	233,029	212,331	445,360	27,417	262,366	322,638	8.53	1,448,000	310,900	66,500	377,400
1935	386,491	1.89	338,321	250,484	588,805	18,071	260,735	441,371	8.76	1,681,000	361,700	87,200	448,900
1936	614,516	1.54	645,462	177,027	822,489	4,782	220,390	656,179	9.58	1,895,000	382,700	101,900	484,600
1937	841,998	1.29	822,253	244,561	1,066,814	7,487	295,064	694,906	13.27	2,585,000	408,900	123,200	532,100
1938	557,763	1.34	552,574	239,842	792,416	1,802	370,545	406,994	10.10	2,254,000	267,300	92,500	359,800
1939	728,320	1.25	704,873	304,642	1,009,515	16,264	372,777	714,873	11.07	2,396,000	286,900	212,800	499,700
1940	878,086	1.20	927,239	386,317	1,313,556	68,337	356,431	1,008,785	11.40	2,734,000	333,890	198,156	532,046
1941	958,149	1.15	975,408	419,901	1,395,309	346,994	103,602	1,641,550	11.87	2,905,000	412,699	313,697	726,396
1942	1,080,061	1.09	1,064,792	349,769	1,414,561	401,436	131,406	1,608,000	11.87	3,076,000	427,122	500,633	927,755
1943	1,090,818	1.04	1,082,079	297,184	1,379,263	402,762	175,859	1,502,000	11.87	3,038,000	427,521	658,526	1,086,047
1944	972,549	.99	973,852	247,335	1,221,187	492,395	68,373	1,504,000	11.87	2,847,000	456,710	494,232	950,942
1945	772,894	.93	775,738	332,861	1,108,599	531,367	48,563	1,415,000	11.87	2,436,000	497,095	509,421	1,006,516
1946	608,737	.91	578,429	300,233	878,662	154,371	52,629	1,391,000	13.92	2,067,000	406,453	397,093	803,546
1947	847,563	.90	909,213	250,757	1,159,970	149,478	147,642	1,286,000	21.15	2,513,000	503,376	458,365	961,741
1948	834,813	.92	860,022	247,424	1,107,446	249,124	142,598	1,214,000	22.20	2,580,000	505,464	467,324	972,788
1949	752,750	.91	695,015	232,912	927,927	275,811	137,827	1,072,000	19.36	2,600,000	383,548	329,595	713,143
1950	909,343	.89	920,748	319,086	1,239,834	317,363	144,561	1,447,000	21.46	2,915,000	485,211	492,028	977,239
1951	928,330	.90	951,559	255,429	1,206,988	238,972	133,305	1,304,000	24.37	3,095,000	458,124	474,158	932,282
1952	925,359	.85	923,192	254,504	1,177,696	346,960	174,135	1,360,000	24.37	3,115,000	414,635	488,562	903,197
1953	926,448	.85	932,232	360,885	1,293,117	274,777	109,510	1,435,000	28.92	3,275,000	429,388	529,076	958,464
1954									30.00				
1955									36.00				

[1] Imports and exports may include some refined copper produced from scrap. Categories not wholly comparable from year to year. Copper is also imported in crude form and shows up as refinery production from foreign ore. Exports, on the other hand, take place also in forms beyond the refined stage.

[2] Adjusted for changes in stocks.

[3] American metal market price for electrolytic copper in New York; f. o. b. refinery through August 1927, New York refinery equivalent thereafter.

Principal producing companies, with their 1953 output

Company [1]	Short tons	Percent of total United States
Kennecott Copper Corp	429,000	46
Phelps Dodge Corp	224,000	24
Anaconda Copper Mining Co	74,000	8
Inspiration Consolidated Copper Co. (Anaconda holds 28 percent of issued stock)	40,000	5
Miami Copper Co. (including Castle Dome Copper Co., Inc.)	47,000	5
Magma Copper Co	25,000	3
Calumet & Hecla, Inc	20,000	2
Total above companies	859,000	93
Total United States	926,000	

[1] Individual company figures from Yearbook of the American Bureau of Metal Statistics, 1953.

MINING

There were over 300 active copper-producing mines in the United States in 1953, most of them relatively small. The 25 largest mines produced 98 percent of the total copper. The mines are listed in table 6.

SMELTING

The primary copper-smelting companies in 1953, their approximate capacities in terms of charge (according to the Yearbook of the American Bureau of Metal Statistics), and the percentages of the total represented, are as follows:

Company	Annual capacity, tons of material	Percent of total capacity (charge)
American Smelting & Refining Co	[1] 2,883,000	34
Phelps Dodge Corp. and Phelps Dodge Refining Corp.	2,650,000	32
Anaconda Copper Mining Co.	1,000,000	12
Kennecott Copper Corp	840,000	10
International Smelting & Refining Co.[2]	360,000	4
American Metal Co., Ltd	265,000	3
Magma Copper Co	250,000	3
Tennessee Copper Co	70,000	1
Lake smelters:		
Calumet & Hecla, Inc	100,000	1
Quincy Mining Co	12,000	
Total	8,430,000	

[1] The greater part of the capacity (1,608,000 tons) of the smelter at Garfield, Utah, and of the capacity (300,000 tons) of the smelter at Hayden, Ariz., is used in treating concentrates from the Utah division and the Ray division, respectively, of the Kennecott Copper Corp.
[2] Owned by Anaconda.

REFINING

The copper-refining capacity of primary producers in the United States in 1953, according to the American Bureau of Metal Statistics, aggregated about 1,896,000 tons. The copper-refining companies and their approximate percentage of the total are listed in order of magnitude of available facilities.

Company	Annual capacity, tons	Percent of total capacity
American Smelting & Refining Co.	[1] 486,000	26
Phelps Dodge Refining Corp	405,000	21
Kennecott Copper Corp	264,000	14
International Smelting & Refining Co.[2]	240,000	13
American Metal Co., Ltd	200,000	10
Anaconda Copper Mining Co	150,000	8
Calumet & Hecla, Inc	100,000	5
Inspiration Consolidated Copper Co.[3]	39,000	2
Quincy Mining Co	12,000	1
Total	1,896,000	

[1] Part used for refining copper produced by Kennecott.
[2] Owned by Anaconda.
[3] 28 percent of stock owned by Anaconda.

About 10 percent of the primary refined copper produced from domestic materials in the United States is recovered by fire refining in Michigan, New Mexico, and Texas from crude materials produced in Michigan, New Mexico, and Arizona.

FABRICATION

Fabricators are the principal customers of the primary copper producers. It is in the fabricating plants that the bulk of the new copper is put into semifinished forms—wire, rods, extruded, and rolled shapes, etc.—which constitute the raw materials for many other industries.

About 30 companies in the United States are generally recognized as important fabricators of raw copper. Many of the largest are owned by or associated with the great copper mining, smelting, and refining companies, giving them integrated operations from the mines to the finished brass and copper products. A list of the fabricating companies affiliated with copper-producing companies follows.

Fabricating companies of principal copper producers:

Fabricating company	Parent company or company having part stock ownership
Chase Brass & Copper Co.	Kennecott Copper Corp.
Kennecott Wire & Cable Co.	Do.
American Brass Co	Anaconda Copper Mining Co.
Anaconda Wire & Cable Co.	Anaconda Copper Mining Co. (owns 70 percent of stock).
Phelps Dodge Copper Products Corp.	Phelps Dodge Corp.
Revere Copper & Brass, Inc.	American Smelting & Refining Co. (owns 36 percent of stock).
General Cable Corp	American Smelting & Refining Co. (owns 42 percent of stock).
Wolverine Tube Division.	Calumet & Hecla, Inc.
C. G. Hussey & Co	Copper Range Co.
New Haven Copper Co	Tennessee Corp. (parent company of the Tennessee Copper Co.).
Titan Metal Manufacturing Co.	Consolidated Coppermines Corp. (owns 64 percent of stock).

The more important independent fabricators not affiliated with the major producers include the following: Bridgeport Brass Co., Bristol Brass Corp., Chicago Extruded Metals, Lewin Metals Division, Lewin Mathes Co., Olin Mathieson Chemical Corp., Mueller Brass Co., Reading Tube Co., J. A. Roebling's Sons Corp., Rome Cable Corp., Scoville Manufacting Co., Triangle Wire & Cable Co., Inc., and Volco Brass & Copper Co.

GEOGRAPHIC DISTRIBUTION OF COPPER INDUSTRY

Copper occurs so widely in nature that almost every country has some copper-ore deposits; 21 countries each mined over 10,000 tons of recoverable copper in 1953, and some 16 other nations reported some output. In spite of this wide distribution, most of the world mine production is made in but a few places. Concentration mills are found almost always at the mines, although some mills receive custom ores from short distances. Smelting facilities are usually within short distances of mines and mills, and absence of such facilities retards development of new areas of production. Smelter products frequently must be shipped long distances for refining. The smelter products are of such high purity that little, if any, saving in transportation costs would result from shipping refined instead of smelted copper to consumption localities. The scrap supply is chiefly in the industrial areas.

RESOURCES

About 90 percent of unmined world copper resources is in 5 regions—south-central Africa, Chile, the western United States, eastern Ontario and southern Quebec in Canada, and Kazakhstan, U. S. S. R. Table 2 lists 12 districts or mines containing 85 percent of the world copper resources. This list includes both developed reserves that are surely economic under present conditions and partly explored semieconomic deposits that are so large they probably will be important for the future. Deposits not known to contain copper reserves in quantities greater than 3 million tons of copper metal have been omitted from the list.

Senator MALONE. Mr. Chairman, I want to discuss the position of these same companies on fabricated articles in this country. They are for free trade on copper, which is a raw material that comes in and which is used in the fabrication of brass and copper articles.

I ask permission that the complete table appear as a part of my testimony.

The CHAIRMAN. Without objection, it may be included in the record.

(The list referred to is as follows:

The attached list shows the principal fabricating companies and the parent company or companies having part stock ownership. The principal copper-producing companies are Anaconda, Kennecott, and Phelps Dodge. Their brass-manufacturing subsidiaries producing semifabricated or semimanufactured items which are used in the finished item to the consumer. Examples of this are sheets, rod, wire, extruded shapes, drawn shapes, brass and copper pipe, and similar items which can be further manufactured into a finished commercial article going to the individual consumer.

Under the suspension of the 2 cents excise tax on imports of copper material, the only tax on the importation of these is shown in the following items. Under the Trade Agreements Act, a tariff on items such as these may be cut by the President 5 percent per year or a total of 15 percent during the next 3 years.

Tariff

	Copper	Brass alloys
Sheet, roll, strip plate cents per pound	1¼	2
Wire percent	12½	12½
Rod, shafting, piston rod cents per pound	1¼	2
Extruded shapes:		
Rolls and rods do	1¼	
Tube do	3½	
Brazed tubing do		5½
Drawn shapes: Rod do	[1] 1¼	
Brass and copper pipe:		
Seamless brass do		2
Brazed do		6

[1] Same as extruded.

The above items are used by a large number of manufacturers who make the finished and completed articles that go to individual shops and consumers. Examples of the tariff on the completed articles are as follows. With a possible exception of the Revere Copper Co., which makes kitchenware largely of stainless steel, none of the leading brass mills make the completed articles for the individual consumer.

Kitchenware brass, table, household, and hospital, 15 percent ad valorem.

Incandescent lamps, 12½ percent.

Manufacturers of brass not plated with gold or silver, 22½ percent; also bronze, 22½ percent.

Brass bases for lamps, 22½ percent.

Flashlight cases, 35 percent.

Electric cooking stoves, 12½ percent.

Furnaces, 12½ percent.

Various items not specified elsewhere, 12½ percent.

Washing machines and parts, 17½ percent.

Dental instruments, 17½ to 22 percent.

Surgical instruments, 40 to 45 percent.

Brass wind instruments, 20 to 30 percent.

Tuned bells, 15 percent.
Metal buttons, 22½ percent.
Safety pins, 22½ percent.
Pins with solid head, 20 percent.
Electrical fixtures, 22½ percent.
Snap fasteners, 55 to 60 percent.
Shoe fasteners, 40 to 60 percent.
Jewelry and parts valued not over $5 per dozen, 55 percent.
Jewelry and parts valued over $5 per dozen, 55 percent.
Cigarette cases, compacts, etc., valued not over $5 per dozen, 65 percent.
Cigarette cases, compacts, etc., valued over $5 per dozen, 35 percent.
Larger items for component parts made of copper or brass and are listed as follows:
Generator and parts, 15 percent ad valorem.
Transformers, 12½ percent.
Switches, 17½ percent.
Motors, 12½ percent.
Fans-blowers, 17½ percent.
Telegraph apparatus, 17½ percent.
Radios, 12½ percent.
Television, 12½ percent.
Telephones, 17½ percent.
Electric furnaces, 12½ percent.
Bare wire and cable, 12½ percent.
Insulated wire and cable, 17½ percent.

History of the import excise tax: Copper ores were on the free list from 1894 to June 21, 1932. Prior to that time the ores were taxed on their copper content. Under the act of 1883 the duty was 2½ cents per pound of fine copper, but this was reduced to ½ cent by the act of 1890.

Copper matte and regulus was dutiable at 3½ cents per pound of copper content under the act of 1883, but it was cut to 1 cent in 1890, and in 1894 the material was placed on the free list until June 21, 1932.

Copper metal: In the Tariff Act of 1883 the metal paid a duty of 4 cents per pound.

In 1890 the duty was cut to 1¼ cents per pound. In 1894 it was removed entirely. Since that date copper ore, matte, and unmanufactured copper was on the free list until the imposition of the excise tax in June 21, 1952.

Section 601 (c) (7) imposed 4 cents excise tax. The 4 cents excise tax was continued from 1932 to 1945. In 1948 it was reduced to 2 cents per pound, but the imposition of the 2 cents tax has been suspended until June 30, 1955.

During World War II copper was imported duty free for Government use. Executive Order No. 9177, dated May 30, 1942.

Public Law 42, 80th Congress, April 29, 1947, suspended duty from date of enactment to March 31, 1949.

Public Law 33, 81st Congress, March 31, 1949, suspended duty from April 1, 1949, to June 30, 1950. Tax effective July 1, 1950, to March 31, 1951.

Public Law 38, 82d Congress, May 22, 1951, suspended duty from April 1, 1951, to February 15, 1953.

Public Law 4, 83d Congress, February 14, 1953, extends to June 30, 1954.

Public Law 452, 83d Congress, June 30, 1954, extends to June 30, 1955.

Senator MALONE. Mr. Chairman, I have a number of tables which are pertinent to this discussion. I would like to list their subjects and ask that they be included in the record:

Tax Amortization Certified for Copper Companies.

Domestic Copper Contracts Involving Loans.

ECA Copper Contracts—Administered in London.

Contracts for Expansion and Maintenance of Supply Copper Under Defense Production Act as Amended in 1953.

The CHAIRMAN. Without objection, they may be included.

(The matter referred to is as follows:)

Tax amortization certified for copper companies

Docket No.	TA No.	Name of company	Amount certified	Percentage	Date certified
124	1547	American Smelting & Refining Co., Silver Bell, Ariz	$10, 855, 800. 00	85	Jan. 4, 1952
156	9805	White Pine Copper Co., Copper Range County, Mich	62, 881, 638. 00	55	Nov. 16, 1951
443	1517	United Mine Operators, Inc., Wickenburg, Ariz	221, 000. 00	75	June 15, 1951
607	2744	Kennecott Copper Corp., Deep Ruth, Nev	3, 987, 910. 00	85	Apr. 4, 1951
852	3957	Phelps Dodge Corp., Cochise County, Ariz	12, 401, 435. 00	75	July 6, 1951
929	4673	San Manuel Copper Corp., Mazma, Ariz	51, 420, 000. 00	75	Dec. 28, 1952
1095	7696	Anaconda Copper Mining Co., Butte, Mont	28, 213, 552. 00	75	Oct. 15, 1951
2212	15905	Bagdad Copper Co., Arizona	11, 134, 207. 00	75	July 15, 1952
2846	24544	Banner Mining Co., Arizona	577, 130. 59	75	Apr. 29, 1953
2866	24943	Copper Creek Consolidated Mining Co., Arizona	150, 000. 00	75	Apr. 21, 1953
	7696	Yerrington, Nev	25, 265, 000. 00	75	

Source: Materials Division, EPS, May 19, 1955.

Domestic copper contracts involving loans (Public Law 774)

Contract No.	Contractor	Product	Amount of loan	Source of loan	Method of loan repayment	Copper production		Price to Government
						Annual	Total	
DMP-83	Banner Mining Co., Tucson, Ariz.	Copper	$473, 665	DMPA advance	3½ cents per pound of copper produced.	*Pounds* 4, 320, 000	*Pounds* 12, 960, 000	*Cents per pound* 31
GS-OOP(D) 12084	Copper Cities Mining Co., Gila County, Ariz.	do	7, 500, 000	RFC	Loan repaid in cash during 1954.	*Short tons* 22, 500	*Short tons* 96, 250	[3] 23
GS-OOP(D) 12190	White Pine Copper Co., White Pine Mich. (Copper Range Co.).	do	66, 395, 600	do	Cash payments as required by RFC.	36, 000	275, 000	[3] 25. 5
DMP-19	San Manuel Copper Co., Pinal County, Ariz.[1]	Copper, molybdenum.	94, 000, 000	do	do	[3] 50, 000 [4] 70, 000	365, 000	[3] 24
DMP-3	Campbell Chibougamau Mines, Ltd., Canada.	Copper	5, 500, 000	Export-Import Bank.	Cash payment as required by Export-Import Bank.	*Pounds* 37, 250, 000	*Pounds* 63, 200, 600	[3] 24. 5
GS-OOP(D) 12095	National Lead Co., Fredericktown, Mo.	Copper, cobalt, nickel.	7, 500, 000	DMPA advance	Cash payments in quarterly installments after commencement of production.	1, 417, 500	7, 087, 500	[3] 24. 4

[1] Wholly owned subsidiary of Magma Copper Co., in which Newment owns 140,000. shares.
[2] As escalated.
[3] 1st year.
[4] After 1st year.

Source: Materials Division, GSA EPS, May 17, 1955.

AMERICAN INCENTIVE DESTROYED BY FREE TRADE

Mr. MALONE. Mr. President, much is being made in newspapers and other means of communication of the point that we do not produce all the copper we need, which has nothing whatever to do with the subject, except that when we adopt a free-trade attitude in the case of a commodity the costs of producing which are greater in the United States than in foreign countries, we remove the incentive to produce more of the article in this country. Not only would we not be likely to produce more, but most likely we would produce less.

In other words, for 22 years, starting with the 1934 Trade Agreements Act, the Congress of the United States has followed a policy which has slowly cut down production in these fields which need the protection of a duty or tariff that would make up the difference between the labor standards here and abroad and the taxes and costs of doing business in this country as compared with those of the chief competitive nations.

FREE TRADE IMPOSES BARRIERS TO AMERICAN INVESTMENTS IN AMERICA

When Congress continually nibbles at this principle it destroys the principle. Then private capital cannot possibly be invested in the business with any assurance of its return unless the Government goes into the business. It is already in the business, but it must continue furnishing money to open up new businesses, just as it gave $94 million through a Government organization to a copper company in Arizona to open up a new deposit.

Those things would not be necessary if the principle of protection had not been destroyed.

Mr. JOHNSON of Texas. Mr. President, if there are no amendments, the bill might be read the third time. Then I will suggest the absence of a quorum, the time for the quorum call to be charged to the time allotted to me.

Following the quorum call, the Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance, will be prepared to make a brief statement, and the Senator from Nevada will still have 5 minutes remaining.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the Senator from Nevada, I will suggest the absence of a quorum, following which the chairman of the committee will make his statement. The Senator from Nevada may then use his remaining 5 minutes. If he needs an additional 5 minutes, I shall be glad to yield the time to him.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I yield 3 minutes to the Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance.

Mr. BYRD. Mr. President, I shall make a brief statement in explanation of House bill 5695.

The Committee on Finance, to whom was referred the bill to continue until the close of June 30, 1958, the suspension of certain import taxes on copper, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

H. R. 5695 would amend the act of May 22, 1951, Public Law 38, 82d Congress, as amended, so as to continue through June 30, 1958, the suspension of certain import taxes on copper imposed under section 4541 of the Internal Revenue Code of 1954, formerly section 3425 of the 1939 code. It would continue in effect the provision in Public Law 38 that the President shall revoke the suspension of the import taxes before the specified termination date if the average price of electrolytic copper, delivered Connecticut Valley, for any calendar month falls below 24 cents per pound. The domestic market price of copper has averaged 30 cents per pound from March 1953 through January 1955. The current price is about 36 cents per pound.

TARIFF STATUS

Import taxes on copper have been suspended by congressional action almost continuously since the early part of 1947. Public Law 42, 80th Congress, suspended these import taxes from April 30, 1947, through March 31, 1949; Public Law 33, 81st Congress, extended the suspension through June 30, 1950; Public Law 38, 82d Congress, suspended the import taxes from April 1, 1951, through February 15, 1953; Public Law 4, 83d Congress, amended Public Law 38 to provide for a continuation of the suspension through June 30, 1954; and Public Law 452, 83d Congress, extended the suspension through June 30, 1955. Although congressional action for suspending the import taxes on copper did not become effective until April 30, 1947, practically all imports which entered during the war period were for Government account and were admitted free of the import taxes under other special authority. The import tax on the copper content of copper-bearing scrap metal also has been suspended by other legislative enactments continuously since March 1942; the last act, Public Law 678, 83d Congress, extended the suspension from June 30, 1954, through June 30, 1955.

The import taxes, the suspension of which would be continued with the enactment of H. R. 5695, apply to the copper content of copper-bearing articles, including ores and concentrates, copper mattee, blister copper, refined copper, copper shapes and forms, copper-containing alloys—brass, bronze, bell metal, nickel silver, and phosphor copper—and copper content of all chemicals. The copper content of copper sulfate and of composition metal which is suitable both in its composition and shape, without further refining or alloying, for processing into castings would continue to be subject to the import tax.

Mr. President, I wish to call attention to the further fact that all the departments and agencies of Government dealing with this question advise that they are in favor of the passage of H. R. 5695. That includes the Acting Secretary of State.

In the report, there is a letter from the Acting Secretary of State, addressed to me as chairman of the Finance Committee.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. BYRD. Mr. President, up to this point I have been stating what appears in the majority report, and I ask unanimous consent that the remainder of the report of the committee to which I was referring may be printed in the RECORD at this point.

There being no objection, the remainder of the report was ordered to be printed in the RECORD, as follows:

The import tax on refined copper and on copper-bearing ores, which represent the principal forms in which copper is imported, originally was 4 cents per pound as provided for under the Revenue Act of 1932 (now sec. 4541 of the Internal Revenue Code of 1954). As a result of concessions granted by the United States in the General Agreement on Tariffs and Trade (Geneva), the United States reduced this tax by 50 percent, effective March 16, 1949, to the present rate of 2 cents per pound on the copper content.

UNITED STATES SUPPLY AND REQUIREMENTS

As indicated by data presented in the following table, United States requirements for copper, including withdrawals of copper for the strategic stockpile as well as consumption, have equaled more than half of the total world consumption in recent years. Although the United States is also the world's largest copper producer, its requirements are so large that over one-third of the requirements (about 36 percent in the last 3 years, 1952–54) have been imported. Principal sources of copper imports in the first 11 months of 1954 were Chile (45.0 percent), Canada (14.6 percent), Africa (16.1 percent), Mexico (8.7 percent), and Peru (4.0 percent).

Copper is included in the stockpiling program of the United States as a strategic and critical material.

Unmanufactured copper: World consumption and production, and United States consumption, production, imports, and exports, in specified years 1935 to 1954

[1,000 short tons]

Period	Consumption		Production				United States trade	
	World	United States [1]	World Smelter output	United States			Imports for consumption	Domestic exports
				Primary [2]	Secondary [3]	Total		
1935–39, average	1,697	881	2,162	625	342	967	218	324
1943	[4]	1,992	3,038	1,091	428	1,519	736	177
1946	2,401	1,518	2,070	600	406	1,006	354	54
1947	2,694	1,798	2,491	863	503	1,369	453	149
1948	2,807	1,722	2,579	842	505	1,347	485	147
1949	2,563	1,490	2,601	758	384	1,142	567	146
1950	2,980	1,891	2,916	911	485	1,396	600	155
1951	[5] 3,171	1,828	3,097	931	458	1,389	539	141
1952	[5] 3,278	1,801	3,114	927	415	1,342	[6] 637	[6] 184
1953	[5] 3,168	1,839	3,274	943	429	1,372	[6] 673	[6] 145
1954 [8]	[7] 3,100	1,631	3,200	828	422	1,250	[8] 604	[9] 295

[1] Data are compiled from statistics on production, imports, and exports, and changes in producers' and consumers' stocks, and represent approximate consumption plus withdrawals for the strategic stockpile.
[2] Represents smelter output from domestic ores, concentrates, mine-water precipitates, and tailings.
[3] Represents copper recovered in all forms from old copper and copper-base scrap.
[4] Not available.
[5] Partly estimated by applying to U. S. Bureau of Mines data for the previous year the percentage increase shown by data in 1953 Yearbook, American Bureau of Metal Statistics.
[6] Preliminary.
[7] Estimated from world production and changes in producers' stocks.
[8] Data for December estimated by assuming imports at average monthly average of preceding 11 months; quantity imported during January–November 1954 amounted to 554,000 short tons.
[9] Data for December estimated by assuming exports at average monthly average of preceding 11 months; quantity exported during January–November 1954 amounted to 270 tons.

Source: Consumption and production data from official statistics of the U. S. Bureau of Mines, except as noted; imports and exports from official statistics of the U. S. Department of Commerce.

During 1954, United States supplies (production, imports, and producers' stocks) and requirements for copper (for industrial use and strategic stockpiling) were close to 10 percent below 1953 levels.

Mine output declined in 1954 despite the opening of several new large mines because of voluntary cuts in production by some large companies near the beginning of the year and because of work stoppages, owing to labor disputes, later in the year. (Similar curtailments in copper production occurred in Chile.) In the United States the reduction in production in August, September, and October because of the strikes led the Government to assist inadequately supplied consumers both by release in October of substantial quantities of copper accumulated by the Government under the Defense Production Act and by the diversion of additional quantities scheduled for delivery to the Government in October, November, and December.

Although substantial quantities of copper (including 100,000 tons of accumulated stocks of Chilean copper purchased in May) were purchased by the United States for the strategic stockpile, this was not sufficient to offset the decline in industrial consumption of copper in 1954.

Copper imports in 1954 were about 10 percent below those of 1953.

DEPARTMENTAL REPORTS

This legislation is endorsed by the Departments of Defense, Commerce, State, and Treasury as shown in the following reports received by the chairman:

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE, LEGISLATIVE AND PUBLIC AFFAIRS,
Washington, D. C. May 16, 1955.

Hon. HARRY FLOOD BYRD,
Chairman, Committee on Finance,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to the request of your committee for the views of the Department of Defense on H. R. 5695, a bill to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

It should be noted that the proposed legislation would extend the suspension of certain import taxes on copper for a period of 3 years, rather than for the usual 1-year period.

At the present time, supplies of domestic copper are sufficient to meet military requirements. However, large quantities of foreign copper must be imported to meet combined military and industrial needs.

Therefore, in consideration of the above, the Department of Defense has no objection to the enactment of the proposed legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this report to the Congress.

Sincerely yours,

RICHARD A. BUDDEKE,
Director, Legislative Programs.

THE SECRETARY OF COMMERCE,
Washington, D. C., May 18, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: This is in reply to your request of May 10, 1955, for the views of this Department with respect to H. R. 5695, an act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

This Department recommends enactment of this legislation.

At the present time, we are faced with a short supply of copper raw materials, and an unprecedented demand for copper from the automotive and durable goods industries. To meet the supply situation domestic industry normally imports more than one-fourth of the copper which it consumes. The attached table gives the statistics on domestic production and import for the year 1954 and the first quarter of 1955. It appears that domestic requirements for copper will increase and that domestic production cannot be increased correspondingly. Failure to continue the suspension of import duties would not only result in an increase in the price of foreign copper to domestic users but might also result in a loss of imports. In fact, at the present time, imports have decreased to some extent due to the higher European market. Where the need for large quantities of foreign copper is so apparent, it is believed to be essential to encourage the flow of imports by suspending the tariff. This is especially true since the suspension can have no possible adverse effect upon the domestic industry, which has been incapable of producing sufficient refined copper to meet currrent domestic needs.

The provisions of the present law which H. R. 5695 would extend appear to have sufficient safeguards against a reduced demand. If demand falls, the price of copper likewise would fall. If the price goes below 24 cents per pound the tariff would be reimposed automatically by administrative action.

For these reasons we recommend enactment of H. R. 5695.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this letter.

Sincerely yours,

WALTER WILLIAMS,
Acting Secretary of Commerce.

Supply of refined copper

[Thousands of short tons]

	1954					1955, 1st quarter [2]
	1st quarter [1]	2d quarter [1]	3d quarter [1]	4th quarter [2]	1954 year [2]	
Total production and imports	378	458	386	386	1,608	378
Production, domestic ores and scrap	259	268	222	283	1,032	273
Foreign ores	79	110	97	79	365	75
Imports of refined	40	80	67	24	211	30
Foreign copper	119	190	164	103	576	105
Percent of total	31.5	41.5	42.5	26.7	35.8	27.8

[1] Actual reported data.
[2] Estimated by the Copper Division.

DEPARTMENT OF STATE,
Washington, May 11, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate.

DEAR SENATOR BYRD: I refer to your letter of May 10, 1955, transmitting for the views of the Department of State a copy of H. R. 5695, to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The requirements of the United States for copper, including defense and stockpiling requirements, substantially exceed domestic production. At current high prices for copper it does not appear that the tax is necessary for the protection of American producers. Under the proposed legislation the tax would apply at prices below 24 cents per pound. The interests of American producers would, therefore, seem adequately protected under a 3-year extension.

Reinstatement of the copper tax when it is clearly unnecessary for the protection of domestic producers would, however, have an adverse effect on our relations with friendly foreign countries, principally Chile, which export copper to us.

The Department, therefore, supports the enactment of H. R. 5695.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

THURSTON B. MORTON,
Assistant Secretary
(For the Acting Secretary of State).

TREASURY DEPARTMENT,
GENERAL COUNSEL,
Washington, D. C., May 18, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of May 10, 1955, requesting a statement of this Department's views on H. R. 5695, to continue until the close of June 30, 1958, the suspension of certain import taxes on copper. You stated that if the Department's views are the same as those expressed in a report to the Committee on Ways and Means, copies of that report would be satisfactory.

This Department did not submit a written report to the Committee on Ways and Means on H. R. 5695. However, it did report on an identical bill, H. R. 3202. There are enclosed copies of the Department's report on H. R. 3202.

Very truly yours,

DAVID W. KENDALL,
General Counsel.

MARCH 8, 1955.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of February 2, 1955, requesting a statement of this Department's views on the bill (H. R. 3202) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The proposed legislation would amend the act of May 22, 1951 (Public Law 38, 82d Cong.), to continue until June 30, 1958, the suspension of the import taxes imposed by the Internal Revenue Code on articles other than copper sulphate and other than composition metal provided for in paragraph 1657 of the Tariff Act of 1930, as amended, which is suitable both in its composition and shape, without further refining or alloying, for processing into castings, not including as castings; ingots or similar cast forms. The present suspension will terminate on June 30, 1955.

It is suggested that the bill also provide for the substitution of "section 4541 of the Internal Revenue Code of 1954" for "section 3425 of the Internal Revenue Code" in both places where the latter appears in the act of May 22, 1951.

This Department anticipates no unusual administrative difficulties under the proposed legislation and would have no objection to its enactment.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

"ACT OF MAY 22, 1951 (PUBLIC LAW 38, 82D CONG.)

"*Be it enacted, etc.*, That the import tax imposed under section 3425 of the Internal Revenue Code shall not apply with respect to articles (other than copper sulfate and other than composition metal provided for in paragraph 1657 of the Tariff Act of 1930, as amended, which is suitable both in its composition and shape, without further refining or alloying, for processing into castings, not including as castings ingots or similar cast forms) entered for consumption or withdrawn from warehouse for consumption during the period beginning April 1, 1951, and ending with the close of [June 30, 1955] *June 30, 1958: Provided*, That when, for any 1 calendar month during such period, the average market price of electrolytic copper for that month, in standard shapes and sizes, delivered Connecticut Valley, has been below 24 cents per pound, the Tariff Commission, within 15 days after the conclusion of such calendar month, shall so advise the President, and the President shall, by proclamation not later than 20 days after he has been so advised by the Tariff Commission, revoke such suspension of the import tax imposed under section 3425 of the Internal Revenue Code.

In determining the average market price of electrolytic copper for each calendar month, the Tariff Commission is hereby authorized and directed to base its findings upon sources commonly resorted to by the buyers of copper in the usual channels of commerce, including, but not limited to, quotations of the market price for electrolytic copper, in standard shapes and sizes, delivered Connecticut Valley, reported by the Engineering and Mining Journal's 'Metal and Mineral Markets'."

Mr. BYRD. Mr. President, I hope that the Senate will sustain the action of the Senate Finance Committee and of the House, and will vote to pass the bill.

GOVERNMENT PAYS NO TARIFF ON MATERIALS STOCKPILED

Mr. MALONE. Mr. President, I have listened attentively to the distinguished Senator from Virginia, chairman of the Finance Committee [Mr. BYRD].

I wish to say, in the first place, that the Government, in importing any material for its use in stockpiling, does not pay the tariff, regardless of what arrangements have been made before.

If the material is imported by a private company and processed and fabricated for the Government, the private company pays a tariff when the material comes into the country, and it is charged back to the Government when the company gets paid for the processed material. The money goes out of one pocket into another.

FREE-TRADE FALLACIES EXPOSED

There are a couple of fallacies which have been very widely circulated. The first is that if we are to have foreign trade, we must have free trade.

Following the passage of the 1934 Trade Agreements Act, and until the present moment, we have not had the percentage of foreign trade with respect to our exportable goods that existed previous to the enactment of the act. We have always had foreign trade. No individual or nation buys an article from someone else if he himself can produce the article conveniently. When an individual or nation cannot conveniently produce an article, the article will be bought wherever the required grade can be bought at the lowest cost.

That is certainly not true in the case of our country. We have priced ourselves out of the world markets.

THREE COMPANIES DETERMINE HOW MUCH COPPER IMPORTED

This free trade act effectively prevents any independent private investment, demonstrated by the fact that 3 copper companies in the United States, which produce 80 percent of the copper, determine the amount to be imported and the amount to be produced.

The 36-cents-a-pound price is fixed by the companies. So that if an independent investor, desiring to engage in the business, were silly enough to put $10 million or $15 million into the business, and he needed a price of 36 cents a pound to operate, he would suddenly find the price cut to 28, 25, or 20 cents a pound, where it would remain until he was out of business, and then the price would go back to what it was formerly, or higher.

In closing, I wish to call attention to the fact that, regardless of all the talk about free trade, the large copper companies now control the processing copper companies, such as the Chase Brass & Copper Co., the Kennecott Wire & Cable Co., and the American Brass Co.

RELATIONSHIP OF FABRICATING AND PARENT COPPER COMPANIES SHOWN IN TABLE

Mr. President, I have already introduced into the RECORD tables showing that these same copper companies who want the raw material imported free of duty control these fabricating companies producing most of the manufactured and processed copper articles, and that they demand and have established a 15 to 60 percent ad valorem duty or tariff on these articles.

They, like all people, want free trade on what they buy and a tariff on what they sell.

TARIFF ON WHAT THEY SELL AND FREE TRADE ON WHAT THEY BUY

Mr. President, the tariff on processed products varies from 15 to 60 percent ad valorem value on all processed products.

A table showing the tariff or duty on selected processed copper products has already been introduced into the RECORD.

FREE TRADE FOR IMPORTED RAW MATERIALS, PROTECTION FOR PROCESSED PRODUCTS, AIM OF MANY

Mr. President, the tariff on shoe fasteners is from 40 to 60 percent; on dental instruments, from 17½ to 22 percent; on kitchenware brass, table, household, and hospital, 15 percent ad valorem. And so it goes, but they want free trade on the raw material they buy—copper.

Every processed product is protected, but the processor wants the raw material imported free, just as every producer in the United States wants material he desires to buy brought in under free trade, and tariffs applied to products he sells.

The PRESIDING OFFICER. The question is on the final passage of H. R. 5695.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. Mr. President——

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 3 more minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 3 minutes more.

INVESTORS DARE NOT INVEST MONEY UNLESS GOVERNMENT BECOMES FULL PARTNER

Mr. MALONE. Mr. President, just before the quorum call, I had explained that in the case of copper or any other commodity which needs the protection of a tariff, as it is customarily called, in order to make up the difference between the wage standard of living, taxes, and the cost of doing business in the United States, and the corresponding cost in the chief competitive nation, if a free-trade policy is established—which is being done in this case—it means that no independent, private investments will be made in that business unless, generally speaking, the Government provides most of the money. In other words, the investors invented the phrase that "unless the Government becomes your partner, you dare not put your money in the business."

Previously, I pointed out that the Government put $94 million into a copper-development project in Arizona—to which I had no objection, simply because if there is to be free trade it must be financed, at least in part, by the Government, because otherwise no independent private funds will go into the business.

PROTECT ALL AMERICAN INDUSTRIES, RAW MATERIAL, AND PROCESSING ALIKE

I also called attention to the fact that the same companies which are asking for free trade in the case of copper own most of the processing copper companies; and those companies, together with the same companies which want free trade, have in the case of every product they make the benefit of a tariff ranging from 15 to 60 percent ad valorem. Without it, they would not be in business 60 days.

Mr. President, I am in favor of the protection of these fabricated products; and I also favor having a tariff or duty to make up the difference between the wage standard and taxes and cost of

doing business in the United States, and the corresponding cost in the chief competitive nation, in the case of copper since no independent investments will be made in this field without it.

FREE TRADE MAKES NATION DEPENDENT ON FOREIGN AREAS ACROSS MAJOR OCEANS

What the absence of such a tariff or duty is doing, and will continue to do, is to make us dependent upon off-shore areas, across major oceans, for critical materials we must have for peace or war, and then cannot secure them when the war is on. I am referring now to South Africa, where some of the greatest copper deposits in the world are located. That factor alone could lose a war—in addition to destroying the independent investor and workingmen in that field.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back or has expired.

If there be no amendment to be proposed, the question is, Shall the bill pass?

The bill (H. R. 5695) was passed.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2168.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. Calendar No. 502, Senate bill 2168, to amend the Fair Labor Standards Act of 1938, in order to increase the national minimum wage, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed unanimous-consent agreement, which I ask to have stated.

The PRESIDING OFFICER. The proposed agreement will be stated.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, during the further consideration of the Senate bill 2168—the Fair Labor Standards Amendments of 1955—debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader; *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

The Chair hears none, and the agreement is entered into.

The bill is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time required be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I yield 20 minutes to the distinguished Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, yesterday the Committee on Labor and Public Welfare reported Senate bill 2168, a bill to amend the Fair Labor Standards Act of 1938. The bill has been very thoroughly considered. The subcommittee held hearings for nearly 5 weeks and took more than 2,000 pages of testimony and evidence, which it considered. This testimony and evidence are contained in the three volumes which are on the desks of Senators.

We listened to more than 200 witnesses, representing all points of view, and we tried to give every interest a fair opportunity to be heard.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Texas. I am obliged to leave the Chamber temporarily. I should like to ask the Senator from Illinois a question. He has stated that the pending bill was reported from the Committee on Labor and Public Welfare. What was the vote by which the bill was ordered to be reported by the committee?

Mr. DOUGLAS. The final vote was a viva voce vote, and no formal record was made. A previous motion, to establish a wage of 90 cents, had been defeated by a vote of 11 to 2, but no formal record was made of the final vote. It was a voice vote.

Mr. JOHNSON of Texas. For the information of the Senator from Illinois and other Members of the Senate, under the unanimous-consent agreement 1 hour may be taken on each amendment, to be equally divided, and 2 hours on the bill, to be equally divided. It is the plan of the leadership to have the Senate remain in session late this evening, if necessary. So far as I know, there are not many amendments—at least, I hope there are not. There is every reason to believe that it may be possible, if there are not many amendments, to vote on the bill this afternoon. If we are unable to do so, it is my hope that the Senate will convene early tomorrow and try to vote on the bill tomorrow.

The bill represents the overwhelming sentiment of members of the Committee on Labor and Public Welfare, who spent several months considering it. I hope the bill reported by the committee may be passed by the Senate without amendment. If that can be done, I hope it can be done today.

I thank the Senator.

Mr. DOUGLAS. I thank the Senator from Texas. I assure him that I share his hope that the bill may be passed without amendment.

Mr. President, I wish to express my appreciation to the chairman of the Committee on Labor and Public Welfare, the eminent senior Senator from Alabama [Mr. HILL], and other members of the committee; also to members of the subcommittee on both sides of the aisle, who worked very long and faithfully on the bill. I also wish to express my appreciation to the very competent staff which we assembled. The staff not only helped to prepare the brief report which was submitted, but also prepared a very thoroughgoing analysis of the evidence, 10 copies of the proofs of which I have before me. I shall be glad to furnish a copy to any Senator who wishes it. The analysis will be in final form tomorrow.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HILL. I deeply appreciate the words of the Senator from Illinois. However, in all frankness and candor, I should say that appreciation should be expressed to the Senator from Illinois for the very exceptional work he has done on the bill. As Senators well know, the reports of the hearings are very voluminous and comprehensive. The Senator and his subcommittee heard about 225 witnesses, from all over the United States, and went into the subject very thoroughly and painstakingly. We know that during a considerable part of the hearings the Senator from Illinois was not well. He has been tortured by a very virulent and tedious ailment. Nevertheless, he has carried on, and he has reported the bill which is now under consideration.

I wish to express to the Senator from Illinois my great appreciation and my hearty congratulations for the exceptionally fine and able task he has performed in bringing the bill before the Senate.

Mr. DOUGLAS. I thank the distinguished Senator from Alabama. It was a great privilege to have a modest share in the preparation of the pending bill. In the words of Justice Holmes "It is extraordinary with what fortitude a man can listen to excessive praise of himself."

The committee has reached the conclusion, after very full consideration of the evidence, that the time has come to increase the basic wage from 75 cents an hour to $1 an hour, and to make this increase effective on the 1st of January 1956.

The committee decided that it would not consider at this time any amendment dealing with coverage or exemptions

from the act. That issue is very complicated and needs a great deal of study; and the committee felt, therefore, that this issue should be postponed. However, it intends to give further study to it, and, as soon as practicable, develop, we hope, a legislative measure which may be presented to Congress early in the next session.

It is proper to ask, What were the considerations which influenced us to recommend a minimum wage of $1 an hour, with coverage unaltered?

In the main, they were two: the increase in the cost of living since the minimum wage was last raised, in 1950, and the increase in productivity since that time. We have analyzed the cost of living index of the Bureau of Labor Statistics very carefully indeed, and we find that that increase since January 1950, is almost precisely 14 percent. On one basis it is 13.6 percent, and on a more refined weighted basis, affecting low-income families, it is 14.1 percent. The general average of 14 percent is probably the closest that can be reached.

If we take the 14 percent increase, it means that now 85½ cents would be the equivalent of 75 cents in January 1950. That is, it would now take 85½ cents to buy the same physical quantity of goods and services which 75 cents could have purchased in 1950.

Therefore, an increase of 10½ cents would be needed to put the worker in precisely the same physical position in which he was more than 5 years ago. However, as we all know, since that time there has been a general increase in physical productivity in industry as a whole and in virtually every individual industry; and up to date there has been a general increase in productivity of approximately 19–20 percent.

We know that since the last amendments to the act went into effect there has been, and until the 1st of January, during the coming 6 months, there will be a continuing increase. Therefore we are perfectly safe in saying that the increase by the first of January will be a little more than 20 percent over the initial period.

We believe that labor, particularly the lower ranks of labor, should share in this increase in productivity, and that it is not fitting for labor merely to stand still, when the economy as a whole is advancing.

If we apply the 20 percent increase either to the original 75 cents or to the 85½ cents, we get a figure somewhere between 99½ cents and $1.02. Therefore we felt that a wage of $1 an hour was completely justified.

Perhaps a question should be raised as to why we did not increase the minimum wage to $1.25. That is what I believe many of the members of the committee desired. It is true that in order to provide what we call a minimum standard of living, even for a single man and a single woman, a wage somewhere between $1.15 and $1.28 would be required. We had great sympathy for such a proposal; but we felt it would impose too great a shock on the economy. A wage of $1.25 an hour would mean an increase of 50 cents, or 67 percent. That would be too severe for many industries and for many firms to absorb.

The present act has a dual purpose: To assure to the workers an adequate standard of living, and not to curtail employment substantially. We were rather loath to go as high as $1.25, lest it have an adverse effect on employment. We believe, therefore, that the recommended increase to $1 is a happy reconciliation of these two purposes. It is our belief that the economy can absorb the recommended increase in the minimum wage.

We have studied the effects of increasing the basic wage from 40 cents to 75 cents in 1950. Such study showed that that increase had very little adverse effect upon employment. It is true that the Korean war began in June, but the amendments to the act went into effect in January. Therefore, there was a period of 6 months during which there was no war stimulation; indeed, we were just emerging from a recession. But in spite of that fact, very little, if any, adverse effect upon employment was noted by the Department of Labor in the very thorough study it made. We believe that the effect of the dollar minimum will be closer to the effect of the increase in 1950 than a 90-cent minimum would be, and that, on the whole, the relative increase in the wage bill in 1950 was closer to the relative increase that would be caused by a dollar wage than by a 90-cent wage.

Therefore, we feel that the dollar wage is superior to the 90-cent wage as a minimum. The 90-cent wage would little more than compensate for the increase in the cost of living since 1950, and would allow a maximum of only 4½ cents an hour for increased productivity, for the elimination of substandard living, and so forth.

The committee feels the American economic system has demonstrated, and will continue to demonstrate, its capacity for continuous growth and development.

In times past the Fair Labor Standards Act has suffered, and perhaps it suffers at this moment, from the fact that revisions are made sporadically. The increase was postponed from 1944 to 1949; therefore, instead of a gradual increase, a jump was then made from 40 cents to 75 cents.

I believe it would have been well, had we been able to do so, to have increased the wage since 1950 and to have taken account both of the increased productivity and the increase in the cost of living which has occurred.

We would like to provide a method of easier transition to higher schedules in the future; and the bill which the committee has reported requires the Secretary of Labor to include in his annual report recommendations for any changes in the amount of the minimum wage which he may deem advisable to make. In making his recommendations, the Secretary is also required, under the bill, to take into consideration any changes which may have occurred in the cost of living, changes in productivity, changes in the levels of wages and manufacturing, the ability of industry to absorb wage increases, and such other factors as he may deem relevant.

We believe this requirement of reporting annually to the Congress and making definite recommendations will make it possible for the Congress to act more quickly in the future than has been the case in the past.

Although the chairman of the subcommittee must confess to the personal belief that perhaps in the future we may want to return to some of the principles established in the original 1938 act and create wage boards to deal with specific industries which may have a greater ability or a lesser ability to increase wages, that, however, is merely the personal opinion of the chairman and is in no sense a recommendation of the committee.

Mr. President, I think I should say a word or two about the problem of Puerto Rico and the Virgin Islands. This was the most perplexing problem with which the committee had to deal. We were torn between two sets of valid considerations. On the one hand, we wished to protect the workers in Puerto Rico from low wages and to improve their condition to the degree that legislation can improve the condition of wage earners. We did not wish the mainland to be subjected to unfair low-wage competition from Puerto Rico. But we were also fully aware that Puerto Rico is faced with a difficult economic problem in that it has a comparatively large population for a relatively small area which is not too fertile; that the pressure of population upon the physical resources of Puerto Rico is great; that the productivity of labor in agriculture is relatively low, and that the population is growing at the rate of from 50,000 to 60,000 a year, since the death rate has decreased from approximately 18 per 1,000 to less than 8 per 1,000 in 15 years, while the birth rate has not changed. We did not wish to impose on Puerto Rico wage standards which would cripple the industry of that Commonwealth, because we know that at least one of the remedies for the situation in Puerto Rico is to have as rapid an industrialization of that country as may be possible.

Minimum wages in Puerto Rico have been set by wage boards which, in general, have operated with great slowness and have established a wide variety of wages, ranging, a few days ago, from 17½ cents an hour in the needle trades up to the full 75 cents provided on the mainland for wages in heavy industries and finance.

On Monday of this week, 2 days ago, the minimum wage in the needle trades, which had been 17½ cents, was raised to 22½ cents. It will, therefore, be seen that as of the present moment the minimum wage in the lowest-wage industry in Puerto Rico is approximately 30 percent of the American minimum. This, I may say, is about the relationship between the average wage in Puerto Rico and the average wage in the United States.

We have made a series of recommendations, after consultation with representatives of Puerto Rico and representatives of the unions, which I think are not satisfactory to either group. The Secre-

tary of Labor of Puerto Rico, Mr. Sierra, has informed me that he cannot support these recommendations either in principle or in respect to the steps in the formula which we have developed. However, I believe our recommendations constitute the best solution we could find.

So the bill provides that, in the case of industries in Puerto Rico whose basic wage has not been increased during 1955, on the 1st of January 1956 wages shall be increased by the same relative amount as the increase in the minimum in this country. Since that increase is 33⅓ percent, namely, from 75 cents to $1, in Puerto Rico a minimum wage of 30 cents would become 40 cents, a wage of 45 cents would become 60 cents, a wage of 75 cents would become $1, and so on. That is to take effect as of the 1st of January 1956.

In the case of industries, notably the needle trades, where an increase has been in effect during 1955, and prior to July 1, 1955, on the 1st of January 1956 there is to be an absolute increase of 7½ cents an hour. That will raise the needlework minimum from 22½ cents to 30 cents an hour.

In the case of 2 or 3 other industries——

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 5 additional minutes to the Senator from Illinois.

Mr. DOUGLAS. In the case of 2 or 3 other industries where the wage will be increased during 1955, but subsequent to July 1, then 1 full year after the new order has gone into effect, the statutory minimum will be raised by one-third. That would mean that industries in which the increase takes place on the 1st of September of this year will have until September 1956, when the wage will go up by one-third.

Finally, there is a target date of January 1, 1958, 2½ years from now, and 2 years after the act goes into effect both in Puerto Rico and on the mainland, when wages in Puerto Rico will be raised above their July 1, 1955, rates by the same absolute amount that the minimum in the United States is raised on the 1st of January 1956, namely, by 25 cents an hour.

In the case of the needle trades in Puerto Rico it will mean that on the 1st of January 1958, the minimum will be 47½ cents an hour.

It will be noted that on the 1st of January 1956, the minimum wage in the Puerto Rican needle industry will still be 30 percent of the United States minimum, but after 2 years the differential is to be reduced, and on the 1st of January 1958, the Puerto Rican minimum will be 47½ percent of the wage which we are now establishing, but we hope and believe that during those 2½ years the actual wages in the United States will go forward.

The intermediary steps between the 33.3 percent increase and the 25-cent increase to be achieved by January 1, 1958, are determined by wage boards. We have cut some of the red tape in connection with the establishment and operation of wage boards which in the past has greatly slowed down procedures.

The bill also provides for the Secretary of Labor to make recommendations to the Congress for slowing down the rate of increase if an unforeseen emergency situation arises.

Mr. President, I think that includes virtually all the substantive features of the bill. I believe it is a good bill, and I hope it will commend itself to the Congress and to the public.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I yield to the senior Senator from New Jersey. How much time does the Senator yield himself on the bill?

Mr. SMITH of New Jersey. I yield myself a half hour; I may not use it all.

The PRESIDING OFFICER. The senior Senator from New Jersey is recognized for 30 minutes.

Mr. SMITH of New Jersey. Mr. President, in opening my remarks, I wish, first, to extend my compliments to the senior Senator from Illinois. He is chairman of the labor subcommittee and was one of the most faithful chairmen I have ever observed conduct a series of hearings. I myself, as a member of the subcommittee, tried, so far as I could, to attend most of the hearings, but I had some obligations in the Committee on Foreign Relations, so I could not always attend the hearings of the labor subcommittee of the Committee on Labor and Public Welfare.

The Senator from Illinois conducted the hearings in the fairest possible way, and assembled a splendid array of witnesses.

I am in accord with most of the bill and report except the figure set for the minimum wage itself. I agree with what the Senator from Illinois has said about the Puerto Rican situation. I especially agree with the suggestion in the report and the provision in the bill itself with regard to a periodical checkup by the Department of Labor and requiring the making of reports and recommendations based on changes in living conditions, changes in productivity, and so forth. I think this is most desirable.

But I admit that I am disturbed by the rate of $1 which has been suggested by the committee. As we all know, a 90-cent minimum wage was the recommendation of the administration, and on January 6 I introduced a bill so providing. So I feel I am justified in saying a word in defense of the position of the administration.

Since the proposal of a $1 minimum wage has been published in the press I have received a good many calls and communications from small-business people, who say that the effect of the difference between 90 cents and $1 will be such as to put some of them out of business and to cause unemployment. It is very hard to dispute that claim.

While I do not attempt to speak dogmatically on the question, I am nevertheless convinced that some business people, especially in my State, are disturbed about the proposed increase in the minimum wage rate to $1. Principally, they are small-business men who are employers of probably 100 persons or less. I have not thought in terms of suggesting any exemptions for small companies, because I do not believe it would be wise to extend the exemption list on the basis of size or any other basis. But I feel that if we are to vote upon a bill providing for a $1 minimum wage we should consider some of the results which might flow from the establishment of such a rate.

It is my purpose, for the RECORD, to make clear my own position and to state why I feel that a minimum wage of $1 would be too high, and why the 90-cent figure would be sounder in light of the whole record which has been made.

The Senate is now considering a review of the level of the minimum wage under the Fair Labor Standards Act as reported by the Committee on Labor and Public Welfare. I want to state briefly why I think that the minimum wage should be raised to 90 cents an hour for all the workers to whom it now applies, as proposed in S. 57, the bill introduced by me on January 6, 1955, and why I am convinced that it would be unsound to attempt raising it to more than 90 cents at this time.

At the outset, I point out that there is apparently a great deal of misunderstanding about the nature and the purpose of the Federal minimum wage. The minimum wage is not meant to be a tool for creating inflation. It is the policy of the Eisenhower administration to stabilize the value of money and to encourage a sound and healthy growth of the American economy. The minimum wage law does not attempt to regulate the entire wage structure of this country. The minimum wage merely sets a floor under wages for covered employment. The minimum wage law certainly is not intended to direct the growth of various branches of industry or to direct the development of various regions of the country. However, to some extent its operation serves to temper the rate at which movement of industry may take place. In this way it moderates too abrupt a change away from any area and helps all parts of the country to move forward.

I think we are all generally agreed that the minimum wage, when properly applied, has a wholesome effect on the entire wage structure.

The basic idea underlying the minimum wage provision is very simple. If a particular job cannot support the minimum wage that the Congress deems suitable and feasible in terms of current economic conditions, then that job is not worth doing. The marketplace does not want it. If the job can support the minimum but is not now doing so, it is the function of the minimum wage to encourage improvement. This clearly implies that the upward pressure exerted by the minimum wage provision must be within the amount that the bulk of the low-wage plants can reach for. If more than that is required by the law, the results would be noncompliance, or layoffs of low-paid workers in large numbers, or business failures among those businesses which must absorb the burden of the increase in the minimum.

The question of the extent to which the minimum wage can be raised must be

answered in terms of how much of a rise can be successfully sustained by low-wage branches of industry and low-wage covered employments generally. This central question must be emphasized, for so much of the talk on the subject of minimum wages has been only indirectly related to the real question. Small business, especially, is vitally concerned with a realistic answer to the basic question.

I am speaking now of small business in my own State particularly.

A few of the basically irrelevant points to which reference has been made are such overall aggregates and averages as total corporate profits, national income, average wages for all manufacturing, the consumer price index, and estimated trends in overall productivity. Upward movements in these yardsticks encourage the belief that the underlying economic situation is favorable to an increase in the minimum wage, but they do not tell us how much the minimum wage can be raised without adverse effects of a serious nature on the earnings of the low-paid workers and the survival of marginal businesses. Changes in the cost of living make it important for us to review the minimum wage. We would certainly want to do everything we can to restore buying power of the minimum wage that was lost in the Korean war inflation. If all of that can be restored without serious harm to the low-paid workers, whom the law is intended to benefit, we should certainly do it. If more than that can be done without such adverse effects we should do more.

We must first determine what proportion of the employees in low-wage branches of industry would have to receive a wage increase in order to bring them exactly to the new minimum, and how much this would add directly to the wage bill of their employers. We have information on what these proportions would be for several low-wage industries. This is available now since there were surveys of wages just before and just after the 75-cent minimum wage became effective on January 25, 1950. These surveys show how much was absorbed in the immediate short-run period. However, longer-run effects of the 75-cent rate were mitigated by the Korean war inflation. In addition to these studies, some surveys were made in 1954 which give us a recent statistical base that is especially valuable since wages in low-wage industries have been relatively stable since these surveys were made.

On the basis of this actual survey information, compiled and released by the Department of Labor, we find that the direct wage-bill impact today of the 90-cent rate which I recommend would be equivalent to the impact in 1950 of the 75-cent rate. An attempt has been made to relate the two figures.

Even considering that impact as justified, we must remember that there were highly favorable factors when the 75-cent rate was introduced that made it relatively easy to sustain. For example, residential construction increased one-third between January 1949 and January 1950. I checked these figures yesterday. This created a strong demand for lumber and was a powerful factor in helping the Southern sawmilling industry to sustain the enormous increase in wages required by the 75-cent rate. That rate was raised from 40 cents to 75 cents, as we know.

Also, the low-wage industries generally were in a favorable position as a result of a vast reserve of consumer purchasing power built up during World War II and the post-war inflation when goods were scarce.

But no increase in construction such as accompanied the introduction of the 75-cent rate can be expected now. There is now no inflationary pressure such as I have just described as of 1950. We must always remember that we do not know what the longer-run effects of the 75-cent rate would have been. Nevertheless, I believe we should attempt the maximum increase that has any reasonable expectation of success.

I believe from my study of the evidence before the committee and from the analysis made by my staff that the increase should be to 90 cents—the figure provided in the bill which I introduced—and no more at this time.

A minimum wage of $1 would have more than double the impact on low-wage industries that the 90-cent rate would have.

It appears, superficially, as though the difference between 90 cents and $1 is not large. But statistics show that a minimum wage of $1 would have a much greater impact on low-wage industries than a 90-cent minimum wage would have.

We cannot forget that anything over 90 cents goes beyond any basis in experience. There is serious danger that more than doubling the impact by moving to a dollar would create serious hardship among the low-paid workers whom the law is intended to help. It also invites added exemptions from the law as an alternative to large-scale unemployment of the low-paid workers.

Raising the minimum above 90 cents may win some public acclaim from some quarters, but not from the low-paid workers who are hurt by it. The man who has lost a job paying a dollar an hour does not benefit after he has been laid off.

So, in concluding these brief observations, I should like to stress four points.

First. As I read the testimony, and as my staff has studied it, a 90-cent minimum wage would have the same impact that the 75-cent minimum had in 1950, except that the favoring circumstances which existed then are not present now. In other words, even the 90-cent minimum wage, which I am advocating and supporting, involves some dangers, if we compare it with the 75-cent minimum wage fixed in 1950.

Second. Establishment of a $1 minimum would create more than double the impact of a 90-cent minimum.

Third. A 90-cent minimum involves dangers, but a $1 minimum could probably not be successfully absorbed. That is what some of us are concerned about. If the $1 minimum could not be successfully absorbed, there might be more layoffs than we should reasonably expect in these good times.

Fourth. Unless a minimum-wage increase can be absorbed, it cannot benefit the low-paid workers for whom it is intended.

So my general conclusion, Mr. President, is that it would seem to be a wiser and safer policy to go more slowly and review the situation periodically, then provide increases paralleling the cost of living and paralleling the ability of small industries to adjust themselves to the increase.

Therefore, I submit the 90-cent rate is the maximum that can be sustained at the present time.

In this connection, Mr. President, I had thought of offering an amendment to the pending bill, in order to test the sentiment in the Senate with regard to the 90-cent rate recommended by the administration. On reflection, I realize a great many Senators are committed to the $1 minimum, and I realize the influence of the recommendation of the committee, so I am not going to offer the amendment. However, I shall offer an amendment, and now send it forward and ask that it lie on the table, to be called up later in the debate. This amendment has the purpose of doing what I set forth at the end of my introductory remarks, when I said it seems to be a wiser and safer policy to go more slowly and review the situation periodically.

The amendment which I intend to offer comes in on page 2, lines 7 and 8, and proposes to strike out the words "by striking out '75 cents' and inserting in lieu thereof '$1' ", and to insert in lieu thereof the following:

To read as follows:

"(1) not less than—

"(A) 90 cents an hour during the calendar year 1956,

"(B) 95 cents an hour during the calendar year 1957, and

"(C) $1 an hour after the calendar year 1957."

Mr. President, the purpose of the amendment is to give industries time to readjust to the change, so that complaint cannot be made by small industries, whose representatives have been calling on me, that fixing the effective date as the 1st of January 1956 does not give them time to readjust. Since the administration recommended a 90-cent minimum, most of them expected that would be the minimum wage, and they have been trying to readjust themselves to that figure. But if the minimum is to be fixed at $1 an hour beginning January 1, 1956, as is recommended by the committee, I am sure certain industries will be in trouble. Therefore I am suggesting that the minimum wage be fixed at 90 cents an hour during the calendar year 1956, at 95 cents an hour during the calendar year 1957, and at $1 an hour after the calendar year 1957.

I offer the amendment and ask that it lie on the table, to be called up later in the debate, after we have heard from other Senators.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The amendment will be received, and will lie on the table.

The bill is open to amendment.

Mr. HILL. Mr. President, on behalf of the majority leader, I yield the distinguished Senator from Illinois 5 minutes.

Mr. DOUGLAS. Mr. President, I wish to thank the able Senator from New Jersey [Mr. SMITH] for the complimentary personal references to me, and to say that although the Senator from New Jersey was burdened with a very heavy load of work as a member of the Committee on Foreign Relations, the subcommittee considering the pending bill benefited from his presence and from his advice and assistance.

There are some points which the Senator from New Jersey has raised which should be answered in order that the record may be complete. The first is as to the relative scope and effect of the 90-cent-an-hour impact and that of the $1 minimum. Based on the distribution of actual earnings in April 1954, the introduction of a minimum wage of 90 cents an hour would directly increase the wages of only 1.3 million workers in this country, of whom an even 1 million would be in manufacturing, and the total direct increase in wages would amount to only $220 million, or three-tenths of 1 percent of the total wage.

On the same basis, the $1 minimum would increase wages for 2,100,000 workers, of whom 1,600,000 would be in manufacturing. It would effect a direct increase in wages of $560 million, or about seven-tenths of 1 percent of the total wage bill in covered employment.

Of course, there would be an indeterminate amount of indirect increase which such an increase would call into play. It would be of unknown magnitude, but as to certain cases we have checked, it would amount to about 20 percent of the direct benefit.

The Senator from New Jersey has stressed, as has the Department of Labor, the claim that the fixing of a 90-cent an hour minimum wage would have an effect more nearly approximating the rather successful effect of increasing the minimum in 1950, than would the fixing of a $1 minimum. The actual figures do not support this contention.

As a result of the 75-cent-an-hour minimum which was made effective in January 1950, the percentage of increase in wages in southern sawmills was 14 percent. There would be a 9-percent increase as a result of the proposed 90-cent minimum wage this year, or 5 percent less than occurred in January 1950. An increase in the minimum wage to $1 would cause an increase of 18 percent, or 4 percent more than in January 1950.

In establishments making men's dress shirts and nightwear, which is another low-wage industry, the increase in direct wages, as a result of the 1950 minimum wage, was 5 percent. The 90-cent minimum wage would increase wages by 3 percent. The $1 minimum would increase wages by 7 percent. So that in this case one minimum is over by the same amount that the other is under.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am happy to yield to the Senator from Kentucky.

Mr. BARKLEY. I suppose it may be an oversimplification, but in order to arrive at the net result of the legislation now proposed, I think it is desirable that we consider the results from a weekly basis. A minimum wage of $1, for an 8-hour day, and a 40-hour week, would mean $40 a week for a man who is working. Roughly, that is $160, or a little more, a month.

Mr. DOUGLAS. Or about $2,000 a year.

Mr. BARKLEY. Yes. It is rather difficult for me to conceive how any man with a family can maintain himself and his family on such a salary, in view of the high cost of rent, food, clothing, and everything else, which we all recognize, and of which we are all victims.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DOUGLAS. Mr. President, I request 5 minutes more.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes more to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for another 5 minutes.

Mr. BARKLEY. Mr. President——

Mr. DOUGLAS. Mr. President, I yield further to the Senator from Kentucky.

Mr. BARKLEY. I thank the Senator from Illinois.

Mr. President, let me say that it is hard to conceive how the head of a family could, on that wage, support his family, much less have anything left for luxuries or for anything beyond the bare necessities of life.

Mr. DOUGLAS. The answer is that the head of a family cannot support his family on such a wage. We have the benefit of studies which have been made in 34 cities. From those studies it is found that the cost of supporting a family of 4 ranges from about $3,700 to $4,300, at a minimum standard. The proposed minimum wage per hour, on the basis of 2,000 hours, would not enable a man to support a family, and not even support himself.

Mr. BARKLEY. The 90 cents an hour proposal submitted by the Senator from New Jersey would provide approximately $36 a week, instead of $40 a week.

Mr. DOUGLAS. That is correct.

Mr. BARKLEY. And for a month of 4 weeks, let us say, it would amount to $16 less, or approximately $192 less a year.

Mr. DOUGLAS. Or a total of about $1,800 for a 2,000-hour year.

Mr. BARKLEY. Yes. So, looking at it from the standpoint of the bare necessities—and every man who is responsible for the support of a family wants for them a little more than the bare necessities—it does not appear that we would be justified in reducing the minimum provided in the bill from $1 to 90 cents an hour.

Therefore, Mr. President, as for myself, I shall be compelled to vote against any such amendment, if one is offered.

Mr. DOUGLAS. I thank the Senator from Kentucky.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD three tables. One of them shows the estimated annual costs in 34 large cities as of October 1951, in the case of a city worker's family budget for four persons. Another table shows the cost of maintaining a self-supporting woman without dependents—and it would cost a man about as much; and the third table shows the average hourly earnings needed to earn the required amount, indicated by this second table.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—*Estimated annual costs in city worker's family budget for 4 persons, 34 large cities, October 1951*

City	Total October 1951 budget	March 1955
New Orleans, La	$3,812	$3,887
Kansas City, Mo	3,960	4,038
Mobile, Ala	3,969	4,047
Scranton, Pa	4,002	4,080
Portland, Maine	4,021	4,100
Indianapolis, Ind	4,044	4,127
Savannah, Ga	4,067	4,147
Philadelphia, Pa	4,078	4,158
New York, N. Y	4,083	4,163
Manchester, N. H	4,090	4,170
Cleveland, Ohio	4,103	4,183
St. Louis, Mo	4,112	4,193
Buffalo, N. Y	4,127	4,208
Norfolk, Va	4,146	4,227
Portland, Oreg	4,153	4,234
Minneapolis, Minn	4,161	4,243
Chicago, Ill	4,185	4,267
Memphis, Tenn	4,190	4,272
Detroit, Mich	4,195	4,277
Denver, Colo	4,199	4,281
Jacksonville, Fla	4,202	4,284
Pittsburgh, Pa	4,203	4,285
Cincinnati, Ohio	4,208	4,290
Baltimore, Md	4,217	4,300
Boston, Mass	4,217	4,300
Birmingham, Ala	4,252	4,335
San Francisco, Calif	4,263	4,347
Seattle, Wash	4,280	4,364
Houston, Tex	4,304	4,388
Los Angeles, Calif	4,311	4,395
Atlanta, Ga	4,315	4,400
Richmond, Va	4,338	4,423
Milwaukee, Wis	4,387	4,473
Washington, D. C	4,454	4,541

Source: Appendix III, table XIX.

TABLE 2.—*Current annual earnings required to earn an amount sufficient to maintain a self-supporting woman without dependents*

State	Date	Annual budget	Subsequent change in living costs	Current annual costs
(1)	(2)	(3)	(4)	(5)
New Jersey	October 1954	$2,933	−0.2	$2,927
Washington	May 1952	2,664	+1.2	2,695
New York City.[1]	September 1954	2,488	−.3	2,479
Utah	October 1950	2,230	+8.9	2,428
Maine	December 1950	2,236	+6.9	2,391
Pennsylvania	November 1949	2,121	+12.5	2,386
Arizona [2]	February 1954 [2]	[2] 2,312	[2] −.6	[2] 2,298
Kentucky	February 1949	1,992	+12.5	2,245
District of Columbia.	May 1953	2,209	+.3	2,211
California	October 1950	2,004	+8.9	2,182
Connecticut	March 1949	1,867	+12.2	2,094
Colorado	January 1949	1,813	+11.3	2,018
Massachusetts	February 1954	1,967	−.6	1,961

[1] New York City budget is lower than the New York State budget.
[2] Median.

TABLE 3.—*Average hourly earnings needed to earn the required amount*

State	50 weeks at 40 hours	45 weeks at 40 hours	40 weeks at 40 hours
New Jersey	$1.46	$1.63	$1.83
Washington	1.35	1.50	1.68
New York	1.24	1.38	1.55
Utah	1.21	1.35	1.52
Maine	1.20	1.33	1.49
Pennsylvania	1.19	1.33	1.49
Arizona [1]	[1] 1.15	[1] 1.28	[1] 1.44
Kentucky	1.12	1.25	1.40
District of Columbia	1.11	1.23	1.38
California	1.09	1.21	1.36
Connecticut	1.05	1.16	1.31
Colorado	1.01	1.12	1.26
Massachusetts	.98	1.09	1.23

[1] Median.
Source: Appendix II, tables V–XVI.

Mr. KENNEDY. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. KENNEDY. The figures in the tables also show that there is not the tremendous variance between the cost of living in the North and the cost of living in the South there sometimes is said to be. For instance, I believe the figures show that, according to the Bureau of Labor Statistics, it costs more to live in Birmingham, Ala., than it does to live in Boston, Mass. I believe a similar situation is shown as between various other areas in the North and in the South.

Mr. DOUGLAS. The Senator from Massachusetts is correct. The index shows that as of March 1955, the cost for a family of 4 in Boston, Mass., would have been $4,300; and that with the same items, in the case of a family budget for 4 persons in Birmingham, Ala., the cost would be $35 more, or $4,335. So the Senator from Massachusetts is correct.

Mr. KENNEDY. I thank the Senator from Illinois.

Mr. DOUGLAS. Furthermore, as we suspect, Washington, D. C., seems to be the highest-living-cost city in the country.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Illinois yield to me for a question?

Mr. DOUGLAS. I am glad to yield.

Mr. SMITH of New Jersey. I ask the chairman of the subcommittee this question: Did not we discover that if we tried to obtain a figure which would take care of a family of four, we would have to increase the amount to $2-plus, or something of the sort?

Mr. DOUGLAS. That is correct.

Mr. SMITH of New Jersey. So we cannot consider the proper minimum-wage figure from that point of view.

Mr. DOUGLAS. But we should get closer to it.

Mr. SMITH of New Jersey. But if we get closer to it, some men will not have jobs, because some plants will be closed.

The information I have obtained from the Department of Labor and from some economists I know is that we are on very dangerous ground if we go above 90 cents an hour in setting the minimum wage.

But I do not wish to labor the point, because I know the Senator from Illinois has come to a different conclusion, and I certainly respect his views and his judgment.

Mr. DOUGLAS. I thank the Senator from New Jersey.

Mr. President, I say that if we consider merely the amount required to maintain a single woman for 50 weeks a year, at the rate of 40 hours a week, or a total of 2,000 hours, the average for 13 States would be $1.15 an hour; and for a single man, the amount would presumably be at least that much.

Certainly we would not maintain ethically that the head of a family should receive only enough to support himself, because there must be a surplus over and above that amount, in order to provide for meeting the family burdens.

So we feel that the estimate of $1 is extremely conservative, and that 90 cents an hour would fall very far short of the mark.

The PRESIDING OFFICER. The time of the Senator from Illinois has again expired.

Mr. DOUGLAS. Mr. President, I do not wish to take too much time, but I desire to deal with some of the contentions which have been made by the Senator from New Jersey.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Illinois desire to have more time?

Mr. DOUGLAS. I should like to have 5 minutes more.

Mr. JOHNSON of Texas. Mr. President, I shall be delighted to yield the entire hour to the Senator from Illinois. However, he has already had 35 minutes, whereas the other side has used only 14 minutes. I understood that the Senator from New Jersey [Mr. SMITH] would speak for 30 minutes; but after speaking for only 14 minutes, he yielded back the remainder of his time.

At this rate, the Senator from Illinois will find himself in the position of having used all the time available on his side of the question, and with the remaining time available to the other side having been yielded back.

Mr. DOUGLAS. Mr. President, I wish to reply to the intellectual arguments which have been made, so that the RECORD will be complete and the public may know why we have acted.

Mr. JOHNSON of Texas. Mr. President, how much more time does the Senator from Illinois need?

Mr. DOUGLAS. Mr. President, if the Senator from Texas will yield just a further moment to me——

Mr. JOHNSON of Texas. I yield.

Mr. DOUGLAS. I wish to have printed at this point in the RECORD a table showing that the total effect of a $1 minimum wage would be very slight, even in the case of low-wage industries. For instance, if we consider the labor cost as a percentage of sales value and the ordinary retail markup, in the case of the southern sawmills, we find that the increase in retail price, due to a minimum wage of $1, assuming no compensating factors of any kind, would be only 3.84 percent; in the case of work clothing, it would be only 1.86 percent; in the case of men's and boys' dress shirts, it would be only 1.26 percent; and in the case of men's seamless hosiery, it would be only 1.29 percent.

I believe that all this evidence taken together indicates that, in all probability, the general economic effect of a $1 minimum wage would be good, and that it would have very few, if any, injurious effects.

I ask unanimous consent to have the table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—*4 recently surveyed low-wage industries in which the wage bill would increase by 5 percent or more*

(1)	(2)	(3)	(4)		(5)	(6)	(7)			(8)	(9)	
Industry	Percent of workers below $1	Total number of workers in industry	Increase in direct wage bill		Allowance for indirect increase, percent	Labor cost as percentage of sales value	Percentage increase in sales value of manufactures due to minimum wage of $1			Estimated retail markup, percent	Estimated markup as percentage of wholesale price	Increase in price due to minimum wage of $1 assuming no compensating factors of any kind, percent
			Percent	Millions of dollars			Direct increase	Indirect increase	Total			
Southern sawmills	84	171,000	18	49	20	25	4.54	0.91	5.44	30	42	3.84
Work clothing	67	66,000	11	13	20	20	2.2	.44	2.62	30	42	1.86
Men's and boys' dress shirts	46	89,000	7	12	20	22	1.75	.35	2.10	40	67	1.26
Men's seamless hosiery	45	32,000	6	4	20	30	1.80	.36	2.16	40	67	1.29

Sources: Department of Labor, Wage and Hour Division; Department of Commerce, Bureau of the Census, Census of Manufactures 1938 and 1947 and 1953 Annual Survey of Manufactures, Series MAS-53-5, Feb. 14, 1955.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. To which side will the time required for the quorum call be charged?

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the time required for the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. KNOWLAND. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. I understand that the distinguished Senator from New Jersey [Mr. SMITH] has an amendment he wishes to offer.

The PRESIDING OFFICER. Without objection, the order for the quorum call is rescinded.

Mr. SMITH of New Jersey. Mr. President, on behalf of the distinguished Senator from Delaware [Mr. WILLIAMS]

and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 2, lines 7 and 8, it is proposed to strike out "by striking out '75 cents' and inserting in lieu thereof '$1' ", and to insert in lieu thereof the following:

To read as follows:

"(1) not less than—

"(A) 90 cents an hour during the calendar year 1956,

"(B) 95 cents an hour during the calendar year 1957, and

"(C) $1 an hour after the calendar year 1957."

Mr. JOHNSON of Texas. Mr. President, I have an agreement with the distinguished Senator from New Jersey that I will yield back the remainder of my time, with the exception of 3 minutes, with the understanding that he will do likewise.

Mr. SMITH of New Jersey. I am glad to agree to that arrangement.

Mr. JOHNSON of Texas. The Senator from New Jersey has 3 minutes to explain his amendment.

Mr. SMITH of New Jersey. Mr. President, my amendment speaks for itself. In my statement a few minutes ago I referred to my feeling that it was dangerous to go beyond 90 cents. I suggested that the approach to the minimum-wage question should be in successive steps, so that those who will be required to make adjustments may have more time. Therefore my amendment calls for a rate of 90 cents during the calendar year 1956, 95 cents the calendar year 1957, and $1 thereafter. So, under my amendment, the $1 figure upon which the committee agreed and which it recommends would be reached, but it would be reached in successive stages.

I yield 1 minute of my time to the distinguished Senator from Delaware.

Mr. WILLIAMS. Mr. President, I am glad to associate myself with the Senator from New Jersey as a cosponsor of this amendment. I recognize that while a rate of 90 cents might be low, yet a job at 90 cents an hour is better than no job at $1 an hour. I feel that if we make the minimum wage too high, many men will find themselves out of jobs.

Personally, I am very much concerned that what we are doing here, instead of helping labor as they think, will in the long run actually hurt in that it only further contributes to the inflationary spiral now underway in this country. Temporary wage increases sound attractive, but unless they can be passed on into increased purchasing power they are false.

The large employers, represented by big business, are not affected by what we do here today. Their wage scale is already substantially above the minimum proposed, but our actions can and will have an adverse effect upon many small-business men, their employees, as well as our farmers throughout the country.

I think this amendment which I have joined with the Senator from New Jersey in offering represents more than a reasonable compromise in its approach.

There is a great danger that unless we are careful we can price the small employer and his employees out of the market.

I hope that this modification will be accepted.

Mr. SMITH of New Jersey. Mr. President, I yield 1 minute of my time to the Senator from Colorado [Mr. ALLOTT].

Mr. ALLOTT. Mr. President, I should like to make my own position on this subject clear. During the hearings I conferred repeatedly with my distinguished colleague, the chairman of the subcommittee [Mr. DOUGLAS] and stated my own position.

I do not believe that the unorganized and more sparsely populated areas of the country have been properly taken into consideration in determining the amount which should be the minimum wage. I favor the 90-cent figure, but I realize that there is very little prospect of such a measure passing this body. I therefore associate myself with my distinguished colleague, the Senator from New Jersey [Mr. SMITH] in his amendment.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I yield myself such time as I may require.

The committee considered this question long and thoroughly. I am hopeful that we shall not start amending the bill.

I yield back the remainder of my time, and ask for a vote.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. SMITH of New Jersey. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been used or yielded back. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH] for himself and the Senator from Delaware [Mr. WILLIAMS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. BUSH subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the RECORD, before the vote on the minimum wage bill, a letter I have received from Mildred P. Allen, secretary of state of Connecticut, and House Joint Resolution 30, of the Legislature of Connecticut, memorializing Congress to enact legislation to increase the Federal minimum wage rate.

There being no objection, the letter and joint resolution were ordered to be printed in the RECORD, as follows:

JUNE 7, 1955.

Hon. PRESCOTT BUSH,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: By command of the General Assembly of the State of Connecticut, I am transmitting to you a copy of House Joint Resolution 30, memorializing Congress to enact legislation to increase the Federal minimum wage rate.

Sincerely yours,

MILDRED P. ALLEN,
Secretary of State.

House Joint Resolution 30

Resolution memorializing Congress to enact legislation to increase the Federal minimum wage rate

Whereas in today's highly competitive struggle for markets, Connecticut manufacturers are faced with unfair competition from a few States and areas with wage rates far below the national average; and

Whereas such large differentials present a serious threat to established industry in other parts of the Nation, particularly where labor is an important factor; and

Whereas the Connecticut textile industry has been especially hard hit by ruinous price competition based on low wage rates at a time when the industry nationally has been in a serious slump causing severe unemployment and wage cuts; and

Whereas extremely low wage rates in any part of the Nation are a drag on the entire national economy, reducing employment and income levels at a time when increased consumer purchasing power is essential to national economic health;

Resolved, That the general assembly now respectfully calls these facts to the attention of the Congress of the United States, and urges the immediate enactment of legislation to increase the Federal minimum wage rate to at least $1 per hour; and be it further

Resolved, That the Senators and Representatives from the State of Connecticut in the Congress of the United States are urged to use their best efforts in this behalf; and be it further

Resolved, That the secretary of state is hereby authorized and directed to transmit to the presiding officers of both branches of Congress and to the Senators and Representatives from the State of Connecticut in the Congress of the United States, duly certified copies of this resolution.

Passed house as amended, May 27, 1955.
Passed senate as amended, May 26, 1955.

In testimony whereof, I have hereunto set my hand, and affixed the seal of said State, at Hartford, this 7th day of June A. D. 1955.

MILDRED P. ALLEN,
Secretary of State.

Mr. KNOWLAND. Mr. President, unless there is a desire on the part of other Senators to speak on the bill, I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2168) was passed, as follows:

Be it enacted, etc., That this act may be cited as the "Fair Labor Standards Amendments of 1955."

SEC. 2. Subsection (d) of section 4 of the Fair Labor Standards Act of 1938, as amended, is amended by adding at the end thereof the following: "Such report shall contain an evaluation and appraisal by the Secretary of the prevailing minimum wages established by this act, together with his recommendations to the Congress for any changes in such amounts as he may deem desirable. In making such evaluation and appraisal, the Secretary shall take into consideration any changes which may have occurred in the cost of living and in productivity and the level of wages in manufacturing, the ability of industries to absorb wage increases, and such other factors as he may deem pertinent."

SEC. 3. Effective January 1, 1956, paragraph (1) of subsection (a) of section 6 of such act is amended by striking out "75 cents" and inserting in lieu thereof "$1".

SEC. 4. Subsection (c) of section 6 of such act is amended to read as follows:

"(c) The provisions of paragraph (1) of subsection (a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order heretofore or hereafter issued by the Secretary pursuant to section 8 of this act."

SEC. 5. Effective July 1, 1956, subsection (a) of section 8 of such act is amended by inserting at the end thereof the following: "Minimum rates of wages established in accordance with this section shall be reviewed by such a committee at least once each fiscal year."

SEC. 6. Subsection (d) of section 8 of such act is amended by striking out the second sentence and inserting in lieu thereof the following: "Upon the filing of such report, the Secretary shall publish such recommendations in the Federal Register and shall provide, under appropriate regulations or by order, a reasonable period in which interested persons may submit affidavits with respect to facts and file written statements of views or contentions on matters of law or fact which the Secretary is required by this section to consider in acting on such recommendations, and a reasonable further period in which such persons, before the effective date of any order or orders proposed by the Secretary to carry such recommendations into effect, may file exceptions to the order or orders proposed. After the termination of such periods the Secretary shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations."

SEC. 7. Section 8 of such act is further amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting a new subsection (e) as follows:

"(e) Notwithstanding the preceding provisions of this section the Secretary of Labor shall issue such orders as may be necessary in order that minimum rates of wages to be paid under section 6 by employers in Puerto Rico or the Virgin Islands or in Puerto Rico and the Virgin Islands shall—

"(1) in the case of any such rate which has not been increased during the calendar year 1955, be increased effective January 1, 1956, by an amount equal to 33⅓ percent of such rate;

"(2) in the case of any such rate which has been increased during the calendar year 1955, be increased to the extent necessary in order that such rate shall, effective January 1, 1956, be 7½ cents an hour greater than it was on July 1, 1955, and shall, effective 1 year after the effective date of the last increase in such rate during the calendar year 1955, be 33⅓ percent greater than it was on July 1, 1955; and

"(3) in the case of all such rates, be increased to the extent necessary in order that any such rate shall on January 1, 1958, be 25 cents an hour greater than it was on July 1, 1955.

In computing rates to be established in accordance with this subsection, the Secretary shall, if the amount of such rate is not a multiple of one-half cent, increase or decrease such amount to the next multiple of one-half of 1 cent, except that multiples of one-quarter of 1 cent shall be increased to the next multiple of one-half of 1 cent."

SEC. 8. The Secretary shall submit a special report to Congress after January 1, 1957, but not later than June 1, 1957, with respect to the operation of the amendments made by this act affecting minimum wage rates in Puerto Rico and the Virgin Islands, and such report shall include an appraisal of the progress being made toward the achievement of the 25 cents per hour increase in minimum wage rates provided for in section 8 (e) (3) of the Fair Labor Standards Act of 1938, as amended by this act.

SEC. 9. The first sentence of subsection (a) of section 10 of such act is amended to read as follows: "Any person aggrieved by an order of the Secretary issued under section 8 of this act (other than an order so issued under subsection (e) thereof) may obtain a review of such order in the United States court of appeals for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be modified or set aside in whole or in part."

SEC. 10. The term "Secretary" as used in this act and in amendments made by this act means the Secretary of Labor.

Mr. NEELY. Mr. President, this has been a senatorial red letter day for labor. With a minimum of debate, a maximum of efficiency and a majestic measure of humanity, we have amended the Fair Labor Standards Act by increasing the minimum wage from 75 cents to a dollar an hour. This action will cause rejoicing in thousands of American homes, happiness in tens of thousands of American hearts, and an increase in prosperity and the promotion of the general welfare all over the land.

Mr. HUMPHREY. Mr. President, will the Senator from West Virginia yield to me at this point?

Mr. NEELY. I gladly yield.

Mr. HUMPHREY. I wish to join with my friend, the great Senator from West Virginia, in heralding this occasion, namely, the passage of a fair labor-standards bill which provides $1 an hour as a minimum wage. Some of us had hoped the amount would be somewhat larger. But, surely, by this very decisive action in the Senate, we have raised the economic levels of vast numbers of persons in the United States.

Furthermore, I wish to compliment the Committee on Labor and Public Welfare for reporting the bill. As the Senator from West Virginia, who is a member of the committee, knows, there were many controversies over the terminology and details of the bill.

I think we owe an especial debt of gratitude to the Senator from Illinois [Mr. DOUGLAS], who was chairman of the subcommittee which handled and processed the minimum-wage proposal; and we also wish to extend the same commendation to the other members of the subcommittee who sat through the hearings.

I know that the working people of the State of Minnesota will be pleased to know that the Senate of the United States has now gone on record in favor of a minimum wage of $1 an hour. I think it is one of the best psychological answers we can give to people throughout the world concerning what the Congress thinks in terms of the men and women who work in the shops and the mines and the factories, whether organized or unorganized. Of course, this forward step is particularly important to the unorganized workers, inasmuch as the organized workers have already been able, through collective bargaining, to improve their economic position.

I also wish to thank the distinguished senior Senator from Texas [Mr. JOHNSON], the very able majority leader, for giving us his guidance and help in connection with this measure and, in fact, for providing for the action here on the floor of the Senate which brought about this result quickly and affirmatively, so there is no shadow of doubt where the Senate stands.

Mr. NEELY. Mr. President, let me wholeheartedly concur in the expressions of gratitude to the able Majority Leader. The distinguished Senator from Minnesota [Mr. HUMPHREY] is not the only one who hoped that the minimum wage would be increased to more than a dollar an hour. A number of the members of the Committee on Labor and Public Welfare, of which I was one, voted to increase the minimum to $1.25 an hour. But a majority of the committee were apparently of the opinion that it would be impossible to obtain final approval of an increase to more than a dollar.

Let me sincerely congratulate the eminent junior Senator from Massachusetts [Mr. KENNEDY] upon returning to Washington in unusual and difficult circumstances to vote for the bill in question, first in the committee and later on the Senate floor.

Mr. KENNEDY. Mr. President, I should like to express my appreciation to the Senator from West Virginia [Mr. NEELY] for his very kind remarks.

In January 1953 I introduced the first $1 minimum-wage bill. I had hoped the minimum wage would be set at $1.25, and that the coverage would be extended. But I did not think it would be possible to have such a bill passed at this time by the Congress.

I hope additional consideration will be given to this subject next year or the year thereafter.

I should like to associate myself with the remarks of the Senator from Minnesota [Mr. HUMPHREY] in regard to the very outstanding work the distinguished senior Senator from Texas [Mr. JOHNSON] has done this week. On Monday we passed an appropriation bill providing additional funds for health research, an extremely important matter. On

Tuesday we passed the housing bill, which provides for 135,000 housing units—the number which, since 1945, we have been talking about as being needed each year.

Today we have passed the bill increasing the minimum wage to $1 an hour—a most important piece of legislation. In fact, all three of these bills are most important and very liberal.

So it is, Mr. President, that the distinguished senior Senator from Texas deserves the congratulations of all of us.

Mr. MANSFIELD. Mr. President, I wish to concur in the remarks of the Senator from Massachusetts, who, under great difficulties, returned to participate in the voting, today, on the bill which raises the minimum wage from 75 cents to $1 an hour.

I also wish to join the distinguished Senator from West Virginia [Mr. NEELY] and the distinguished Senator from Minnesota [Mr. HUMPHREY], as well as the Senator from Massachusetts [Mr. KENNEDY], in commending the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], for the fine organizational ability he has shown and for making it possible to have the Senate act on this measure without undue or prolonged debate. I also wish to congratulate him because of the fact that we were able to show to the country that on an occasion such as this, as well as on many other occasions, we are able to do what we think best for the welfare of the Nation as a whole, and to do it quietly and cooperatively.

Mr. JOHNSON of Texas. Mr. President, first of all, I wish to express my deep appreciation to all my colleagues who have been so generous to me, particularly the Senator from West Virginia [Mr. NEELY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Montana [Mr. MANSFIELD].

I should like to observe—and I particularly ask the attention of the Senator from Massachusetts [Mr. KENNEDY]—that after his recounting of the major legislation we have passed this week, it should be pointed out that if we could do that in the first week of his return to the Senate, it is wonderful to contemplate what we shall be able to do from now on, with his continued attendance.

Mr. KENNEDY. I thank the Senator from Texas.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 600) to amend title 18 of the United States Code, relating to the mailing of obscene matter, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, each with an amendment, in which it requested the concurrence of the Senate:

S. 1747. An act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto; and

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

The message further announced that the House had agreed to the amendments of the Senate to the amendment of the House to the bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 6, 8, 11, 21, 34, 36, 38, 46, and 47 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 18 and 24 to the bill and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 14 and 15 to the bill.

The message also further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God We Trust";

H. R. 1015. An act for the relief of Mr. and Mrs. Derfery William Wright;

H. R. 1216. An act for the relief of Cathryn A. Glesener;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1245. An act for the relief of Marianne Anita Zelinka;

H. R. 1275. An act for the relief of Gennaro Savarese;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1463. An act for the relief of Rudolfo M. Gomez (Capaz);

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 1537. An act for the relief of Rogerio Santana de Franca;

H. R. 1538. An act for the relief of Jean Isabel Hay Watts;

H. R. 1540. An act for the relief of Mrs. Joan Craig Newell;

H. R. 1541. An act for the relief of Mrs. Maria Dicran Simon;

H. R. 1549. An act for the relief of Salvacion Carbon;

H. R. 1551. An act for the relief of Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1648. An act for the relief of Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino;

H. R. 1661. An act for the relief of Kim Dong Su;

H. R. 1693. An act for the relief of Barbara Knape;

H. R. 1708. An act for the relief of Eugene Albert Bailly;

H. R. 1739. An act for the relief of William J. Bohner;

H. R. 1750. An act for the relief of Elena Gigliotti;

H. R. 1768. An act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1883. An act for the relief of Margarete Gartner;

H. R. 1963. An act for the relief of Mr. and Mrs. Clarence M. Augustine;

H. R. 1997. An act for the relief of Linda Beryl San Filippo;

H. R. 2073. An act for the relief of Bengt Wikstam;

H. R. 2274. An act for the relief of Alejandro Florentino Munoz;

H. R. 2495. An act for the relief of Antoni Rajkowski;

H. R. 2721. An act for the relief of Mihai Indig;

H. R. 2724. An act for the relief of Miss Elvira Bortolin;

H. R. 2756. An act for the relief of Frank Scriver;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 2911. An act for the relief of Max Steinsapir;

H. R. 2925. An act for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald;

H. R. 2929. An act for the relief of Lazara Camargo Bernoudy;

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education;

H. R. 3027. An act for the relief of Leo E. Verhaeghe;

H. R. 3048. An act for the relief of Assuntino Del Gobbo;

H. R. 3193. An act for the relief of Evelyn Hardy Waters;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody, or confinement after conviction, for arson;

H. R. 3270. An act for the relief of Giuseppa Arsena;

H. R. 3376. An act for the relief of Mrs. Mary A Sansone;

H. R. 3504. An act for the relief of Eveline Wenk Neal;

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 3636. An act to authorize the issuance of a land patent to certain lands situate in the city and county of Honolulu, island of Oahu, to the Protestant Episcopal Church in the Hawaiian Islands;

H. R. 3882. An act to require the registration of certain persons who have knowledge of or have received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party, and for other purposes;

H. R. 3982. An act for the relief of James H. R. Stumbaugh;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4181. An act for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 4894. An act to repeal certain laws relating to timber and stone on the public domain;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5512. An act to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana;

H. R. 5871. An act for the relief of Guy Francone;

H. R. 5875. An act to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes;

H. R. 5876. An act to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6082. An act for the relief of Nemoran J. Pierre, Jr.;

H. R. 6086. An act for the relief of certain relatives of United States citizens or lawfully resident aliens;

H. R. 6281. An act for the relief of Capt. William S. Ahalt and others;

H. R. 6282. An act for the relief of Nathan L. Garner;

H. R. 6395. An act for the relief of Thomas W. Bevans and others; and

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred as indicated:

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God we trust"; and

H. R. 5512. An act to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana; to the Committee on Banking on Currency.

H. R. 1015. An act for the relief of Mr. and Mrs. Derfery William Wright;

H. R. 1216. An act for the relief of Cathryn A. Glesener;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1245. An act for the relief of Marianne Anita Zelinka;

H. R. 1275. An act for the relief of Gennaro Savarese;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1463. An act for the relief of Rudolfo M. Gomez (Capaz);

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

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H. R. 1540. An act for the relief of Mrs. Joan Craig Newell;

H. R. 1541. An act for the relief of Mrs. Maria Dicran Simon;

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H. R. 1551. An act for the relief of Gaulberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1648. An act for the relief of Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino;

H. R. 1661. An act for the relief of Kim Dong Su;

H. R. 1693. An act for the relief of Barbara Knape;

H. R. 1708. An act for the relief of Eugene Albert Bailly;

H. R. 1739. An act for the relief of William J. Bohner;

H. R. 1750. An act for the relief of Elena Gigliotti;

H. R. 1768. An act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1883. An act for the relief of Margarete Gartner;

H. R. 1963. An act for the relief of Mr. and Mrs. Clarence M. Augustine;

H. R. 1997. An act for the relief of Linda Beryl San Filippo;

H. R. 2073. An act for the relief of Bengt Wikstam;

H. R. 2274. An act for the relief of Alejandro Florentino Munoz;

H. R. 2495. An act for the relief of Antoni Rajkowski;

H. R. 2721. An act for the relief of Mihai Indig;

H. R. 2724. An act for the relief of Miss Elvira Bortolin;

H. R. 2756. An act for the relief of Frank Scriver;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 2911. An act for the relief of Max Steinsapir;

H. R. 2925. An act for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald;

H. R. 2929. An act for the relief of Lazara Camargo Bernoudy;

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 3027. An act for the relief of Leo E. Verhaeghe;

H. R. 3048. An act for the relief of Assuntino Del Gobbo;

H. R. 3193. An act for the relief of Evelyn Hardy Waters;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction for arson;

H. R. 3270. An act for the relief of Giuseppa Arsena;

H. R. 3376. An act for the relief of Mrs. Mary A. Sansone;

H. R. 3504. An act for the relief of Eveline Wenk Neal;

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 3882. An act to require the registration of certain persons who have knowledge of or have received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party, and for other purposes;

H. R. 3982. An act for the relief of James H. R. Stumbaugh;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4181. An act for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

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H. R. 5876. An act to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works;

H. R. 5951. An act for the relief of Samuel E. Arroyo.

H. R. 6082. An act for the relief of Nemoran J. Pierre, Jr.;

H. R. 6086. An act for the relief of certain relatives of United States citizens or lawfully resident aliens;

H. R. 6281. An act for the relief of Capt. William S. Ahalt and others;

H. R. 6282. An act for the relief of Nathan L. Garner; and

H. R. 6395. An act for the relief of Thomas W. Bevans and others; to the Committee on the Judiciary.

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education; and

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices; to the Committee on Agriculture and Forestry.

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3636. An act to authorize the issuance of a land patent to certain lands situate in the city and county of Honolulu, island of Oahu, to the Protestant Episcopal Church in the Hawaiian Islands; and

H. R. 4894. An act to repeal certain laws relating to timber and stone on the public domain; to the Committee on Interior and Insular Affairs.

H. R. 5875. An act to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela; to the Committee on Rules and Administration.

CONSTRUCTION OF CERTAIN GOVERNMENT BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 405, S. 1290.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1290) to provide for the construction of certain Government buildings in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works, with an amendment, to strike out all after the enacting clause and insert:

That, the Public Buildings Act of 1949, as amended, is further amended by redesignating section 412 as section 413 and by inserting a new section 412 reading as follows:

"SEC. 412. (a) In exercising the authority contained in section 411 within the southwestern portion of the District of Columbia, the Administrator of General Services shall conform to the plan for redevelopment of that area pursuant to the District of Columbia Redevelopment Act of 1945. Purchase contract agreements for this area shall be for terms of not less than 10 years nor more than 30 years.

"(b) The Administrator of General Services is authorized to transfer lands of the

United States under his control needed by the District of Columbia Redevelopment Land Agency to said Agency within the southwestern portion of the District of Columbia, and in consideration therefor, to accept from said Agency other lands and interests of equivalent value within the same area.

"(c) Whenever the Administrator of General Services initially occupies a building in the southwestern portion of the District of Columbia pursuant to a purchase contract agreement, he shall thereupon cause to be demolished temporary Government building space in the District of Columbia of equivalent occupancy.

"(d) In exercising the authority contained in section 411 within the southwestern portion of the District of Columbia, the Administrator of General Services is hereby authorized, pursuant to section 302 (c) (14) of the Federal Property and Administrative Services Act of 1949, as amended, to negotiate purchase contracts, in accordance with title III of such act. In negotiating such contracts, the Administrator shall take all practicable steps to insure competition among prospective contractors.

"(e) The limitation of 3 years set forth in the second sentence of section 411 (e) shall be read as 5 years with respect to purchase contracts for projects within the southwestern portion of the District of Columbia.

"(f) In transmitting the prospectus required by section 411 with respect to any proposed purchase contract for a project within the southwestern portion of the District of Columbia, which shall be published in the Federal Register for a period of 10 consecutive days from date of submission to the respective committees, the Administrator shall not be required to include the certificate referred to in subdivision (3) of section 411 (e)."

Mr. JOHNSON of Texas. Mr. President, this bill extends the principles of lease-purchase, contained in a law enacted by the Congress last year, to the construction of Government buildings as a part of the plans for the redevelopment and rebuilding of the southwestern portion of the District of Columbia, a notorious slum area.

This bill is intended to aid in obtaining the objectives of slum clearance, eliminating certain temporary Government buildings, and constructing adequate office space coordinated with the removal of such temporary buildings.

The bill provides a new section 412 in the Lease-Purchase Act in order to fit the removal of temporary buildings and the construction of new buildings into a balanced southwest development plan.

The committee report on this bill is brief and takes up clearly each of the subsections in this new section of the Public Buildings Act. Hence, I will not take the Senate's time to go into the details.

However, I should like to emphasize that the objectives of the bill are sound; that the procedures fit with those approved by the Congress last year; that the choice of negotiation or competitive bids is permissive to the executive branch of the Government, while requiring that all practical steps be taken to insure competition among prospective contractors; that it is the responsibility of the executive branch to carry out this program in the best interests of the Government and the District of Columbia; and that the committee has no predetermined idea as to who the contractors or enterprisers should be.

This bill requires any proposed purchase contract for the southwestern area to be published in the Federal Register for a period of 10 consecutive days from date of submission to the respective congressional committees—an implementation of the "goldfish bowl" policy.

Public hearings were held on this bill, and the committee considers that the measure is the result of the constructive ideas presented by witnesses, both from private industry and the Government. In the final language, assistance and accord was received from both GSA and the Bureau of the Budget.

The distinguished Senator from South Dakota [Mr. CASE] is very much interested in this measure. He has some comments he would like to make prior to its final passage. In order that he may have an opportunity to do so, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, the committee amendment in the nature of a substitute follows the recommendation of the General Services Administration by making the language of the bill an amendment to the Lease-Purchase Act, as it is popularly known.

It provides authority for the development of projects in Southwest Washington.

The bill as reported by the committee also provides that in transmitting the prospectus required under section 411 with respect to any proposed purchase contract for a project within the southwestern portion of the District of Columbia, the Administrator shall publish it in the Federal Register for a period of 10 consecutive days from the date of its submission to the respective committees of Congress.

The reason for that is to make it possible for the public to know what is going on in the form of a negotiated contract and to have an opportunity to register objections if it wishes to do so.

It is recognized that in any proceeding of this nature, it is difficult to write a statute which will meet all contingencies. However, by making certain that the negotiation of a contract will take place in a "goldfish bowl" atmosphere, so to speak, with the public and the people of the community aware of the proposals, any unhappy situation or provision will be explored and due action taken.

The committee feels that this proposed legislation opens the way for a substantial improvement of blighted areas in the Nation's Capital, and, generally speaking, it will aid in the beautification of the Capital City and the development of buildings consistent with the standards desired in the National Capital.

I hope the committee amendment will be agreed to and that the bill will be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Public Buildings Purchase Contract Act of 1954."

ENTITLEMENT OF VETERANS TO OUTPATIENT DENTAL CARE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 466, House bill 5100.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5100) to amend veterans regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, this bill comes from the Committee on Labor and Public Welfare, and was unanimously reported by that committee. It provides that outpatient dental service and treatment or related dental appliances shall be furnished by the Veterans' Administration only if the dental condition is service-connected, and of compensable degree, or is service-connected and shown to have been in existence at the time of the discharge, and application is made within 1 year after discharge, or by December 31, 1954 whichever is the later.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

SERVICEMEN'S LOANS FOR FARM HOUSING

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of order No. 467, House bill 5106.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5106) to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the bill amends section 501 of the Servicemen's Readjustment Act of 1944 by adding a new subsection (c). This new subsection is broken down into four parts and provides that, notwithstanding section 502 of this title, but subject to

paragraphs (1), (2), and (3) of subsection (a) of the section amended, any loan to a veteran under this title may be guaranteed if the proceeds thereof will be used for any of the following purposes:

First. To purchase a farm on which there is a farm residence to be occupied by the veteran as his home.

The intent of this is apparent in that it provides that a veteran can purchase a farm on which there is an existing farm residence to be occupied by the veteran as his home. Under this section, in the case of a veteran buying an improved farm, the guaranty would go, not only to the purchase of the farm and residence, but to all other buildings which are considered a part of the realty.

Second. To construct on land owned by the veteran a farm residence to be occupied by him as his home.

The intent of this is to provide a veteran with the facilities for constructing a residence on a farm owned by him and to be occupied by him as his home. This would include the farm residence, garage, utilities, and necessary appurtenances thereto, together with landscaping, in order to provide a completed dwelling unit on the farm.

Third. To repair, alter, or improve a farm residence owned by the veteran and occupied by him as his home.

The bill was reported unanimously by the Committee on Labor and Public Welfare, and I hope the Senate will pass it.

The PRESIDING OFFICER. The bill is open to a amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RURAL ELECTRIFICATION ADMINISTRATION

Mr. ALLOTT. Mr. President, last year during the course of the political campaigns which were being conducted in the United States, we heard, particularly those of us who live in the West and in farm areas, a great many remarks and noticed a great many discussions being carried on by certain pressure groups as to the effectiveness or the supposed lack of effectiveness of the REA. It is, therefore, with the greatest of pleasure that I ask unanimous consent to have printed in the RECORD at this point a copy of a telegram to Hon. Ancher Nelsen, Administrator, Rural Electrification Administration, from the Colorado-Ute Electric Association, Inc., and also an original letter from John W. Carlson, president of that association, to myself, in which Ancher Nelsen is commended for his exemplary and untiring efforts in behalf of REA and in which it is stated that his work in behalf of REA in Colorado has given the economy of the last frontier in Colorado a development which it could not have expected to obtain otherwise.

There being no objection, the telegram and letter were ordered to be printed in the RECORD, as follows:

DENVER, COLO., *May 26, 1955.*

Hon. ANCHER NELSEN,
Administrator, Rural Electrification Administration,
Washington, D. C.:

Our deepest gratitude and appreciation your untiring effort and devotion in obtaining G and T loan for Colorado-Ute. The economy of the last frontier in Colorado can now be developed to its fullest extent and take its place among the important areas in the Nation.

Again thanks to you and your staff for your good work.

COLORADO-UTE ELECTRIC ASSOCIATION, INC.,
GEO. G. WILSON, *Secretary,*
NUCLA, COLO.

LA PLATA ELECTRIC ASSOCIATION,
Durango, Colo., May 26, 1955.

Hon. GORDON ALLOTT,
United States Senate,
Washington, D. C.

MY DEAR SENATOR ALLOTT: Thank you for your telegram yesterday advising us that the Colorado-Ute Electric Association loan has been approved by Administrator Nelsen.

We believe that the consequences of this action will be far-reaching, and that the progress of the western slope of Colorado will be greatly accelerated.

We sincerely appreciate all that you have done toward making this development possible.

Yours very truly,
JOHN W. CARLSON,
President.

RECONVEYANCE OF PORTION OF VETERANS' ADMINISTRATION HOSPITAL RESERVATION, COLUMBIA, S. C.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 468, House bill 5177.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5177) to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. House bill 5177, as passed by the House, would authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., without consideration, all right, title, and interest of the United States in and to a tract of approximately 110 acres of land constituting a portion of land conveyed to the United States by Richland County.

Section 2 of the bill authorizes the inclusion in the deed of conveyance of such terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

The distinguished junior Senator from South Carolina has discussed this bill with me, and he is now on the floor. I hope the Senate will act favorable on the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AUTOMOBILES FOR DISABLED VETERANS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 469, House bill 5089.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5089) to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with amendments on page 2, after line 19, to strike out:

SEC. 2. Section 6 of said act is hereby renumbered 7 and said act is further amended by inserting immediately following section 5 the following.

After line 23, to strike out:

SEC. 6. Any person in the active service who has a condition as specified in section 1 which was due to disability incurred or aggravated in line of duty in the active military, naval, or air service during one of the periods specified in section 1, and who has remained in the active service since sustaining such disability, shall be entitled to the benefits of this act subject to the other applicable provisions, except that application under this section must be made within 1 year after the effective date of this amendment.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is, first, to extend for 2 additional years the period for making application for assistance in obtaining the $1,600 payment on an automobile or other conveyance under Public Law 187 of the 82d Congress; second, to extend this benefit to a veteran meeting the basic eligibility requirements whose qualifying disability occurred subsequent to his discharge, and who makes application within 3 years after the occurrence of the disability; and third, to give a veteran whose disability was not adjudicated as service connected until long after discharge, or perhaps after the expiration of the basic time for filing, at least 1 year in which he may file.

The bill comes from the Committee on Labor and Public Welfare and is reported unanimously, and I hope it will be passed by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE OF CERTAIN LANDS IN THE TURTLE MOUNTAIN INDIAN RESERVATION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 501, Senate bill 1397.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1397) providing for the conveyance to St. Mary's Mission of certain lands in the Turtle Mountain Indian Reservation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

ORDER FOR RECESS TO FRIDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until Friday next at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say that it is our plan to take up noncontroversial bills on Friday, including private bills. I expect to have a calendar call on Monday. So far as I am informed at this time, no controversial legislation will come up on Monday, although any bill can be controversial if some Senator decides to make it so.

In order that Senators may be on notice, as soon as insertions have been made in the RECORD and Senators who wish to address the Senate have done so, I intend to move that the Senate stand in recess until Friday. I am informed that there is no further business to come before the Senate today.

I have just been reminded by my delightful friend the distinguished minority leader that there is a possibility that the Senate may be able to act on the Department of the Interior appropriations conference report this afternoon.

Mr. KNOWLAND. The conference report is at the desk.

Mr. JOHNSON of Texas. Then I shall plan to have it called up before the Senate concludes its business for the day.

HOUSING ACT OF 1955

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me in opposition to the housing bill, S. 2126, which was passed by the Senate yesterday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THURMOND

My opposition to the extension and expansion of the public-housing program is based on the belief that private enterprise can do and is doing the housing job necessary.

We are not faced with any emergency requirement for quick construction. Therefore, I see no logical reason to put up an outlay of billions of dollars of the taxpayers' money for additional public housing. One of the principal sponsors of this legislation has pointed out that it would involve the Government to the extent of $10 billion a year. Another prominent legislator has estimated it would run even higher than that.

Since the close of World War II, 9,225,200 units of housing have been constructed by private enterprise, compared with 193,000 units of public housing through 1954, excluding military housing. This provides evidence that private enterprise is able and willing to do the job. If the Federal Government will stay out of the public-housing field, I believe sufficient housing will be provided on a continuing basis by private enterprise, unless some special reason might arise which should be met by the Government. Such a reason might be the sudden influx of people into an area requiring a large number of units of temporary housing.

Recent decisions of the Supreme Court on housing and in the school-segregation case indicate that the "separate but equal" doctrine will no longer apply. This denial of the right of a State or a city to determine its own regulations with regard to housing cannot be taken lightly when we are considering the ultimate result.

As a result of the Supreme Court ruling on the school case last year and on a housing case from California, my distinguished predecessor, the late Senator Burnet R. Maybank, who had long supported public housing, reversed his position and moved to strike all public housing from the bill in 1954. In the California case the Supreme Court had refused to consider an appeal from the California court in which that court had ruled segregation in public housing unconstitutional.

I am also opposed to a principle involved in the operations of public-housing projects which I consider to be socialistic. That is the regulation under which the same unit of housing is rented to different tenants at different rates of rent, or where identical units, side by side, are rented at different rates, based on the fact that the tenants have different incomes. Rentals should be based on the value of the property and not on the income of the tenants.

I do not believe it fair or in keeping with democratic principles for us to adopt such a socialistic program.

COST DIFFERENTIAL FOR WEST COAST SHIPYARDS

Mr. KUCHEL. Mr. President, for a long period of time many industries and business enterprises in the western part of the United States have been compelled to operate under a severe handicap in establishing firm foundations and expanding their establishments. One of the most serious obstacles and disadvantages has been a higher cost of production, which is due to a varied number of factors.

I am sure virtually all of my colleagues can recall seeing advertisements for miscellaneous products which carry a line—generally in small type and tucked away in an obscure place—reading more or less as follows: "Prices slightly higher west of the Mississippi." This warning to would-be purchasers of products fabricated in the eastern half of the United States characterizes a situation which has been unpleasant but which still has not, I am happy and proud to point out, prevented the people of the Pacific coast from marching forward and building up a vigorous economy. However, our people have literally paid a premium price for their progress and have been compelled to overcome a number of disadvantages to reach the place where they and their enterprises now stand.

I shall not attempt to discuss the factors that make it more costly to produce various articles on the Pacific coast, but I am forced to call this condition to the attention of the Senate because recently a move has started that would penalize one important industry in my State and the neighboring States of Washington and Oregon. I refer to proposals to repeal a provision of the Merchant Marine Act of 1936 which was designed to equalize the competitive situation of Atlantic and Pacific coast shipyards.

Mr. President, I am disturbed—and I am sure my colleagues from the Pacific coast share my feeling—by the suggestion that this feature of the law drafted 20 years ago should be wiped from the books. The proposal to repeal section 502 (d) of the Merchant Marine Act is like kicking a man when he is down and would arbitrarily reverse a precedent which has been followed in a number of other pieces of legislation in the hope of protecting our economy and maintaining a vital adjunct to the national defense.

The differential which is recognized by the Merchant Marine Act is modest. It amounts only to 6 percent. I should like to point out, incidentally, that this figure was written into the law following thorough investigation by the Department of Commerce after my illustrious predecessor, Senator Hiram Johnson, brought the matter to the attention of the Senate. When the 1936 law was under consideration, Senator Johnson sought an allowance of 10 percent for west coast shipbuilders to equalize conditions with the east coast industry and enable them to participate in future merchant-ship construction. A 6-percent differential is barely enough to cover higher costs of obtaining materials and machinery that often have to be shipped halfway across the Nation or even further from the big centers of production in the Middle West and the East.

All Senators from maritime States—and I am certain many others from the interior of the Nation—realize the extremely depressed state of this country's shipbuilding industry. In recent years virtually no construction has been going on, and dozens of once-thriving shipyards have been limping along at reduced rates with conversion and repair work or small craft building. This is especially true on the Pacific coast.

If our shipbuilding industry in California, Washington, and Oregon is ever going to revive, it will need the protection of the differential clause in the Merchant Marine Act. This industry is absolutely indispensable to national security, as was evidenced during World War II when shipyards from Los Angeles to Vancouver set superhuman records in turning out the tankers, cargo vessels, and other craft needed for our fighting forces and

for the bridge of ships that linked the United States with such faraway places as Australia, New Guinea, North Africa, and Europe.

The hundreds of thousands of men and women who sweated around the clock to turn out those essential ships during wartime have dwindled to small forces in the port areas where shipbuilding still is carried on—but on a pitifully limited scale. Our Nation cannot afford to have the present limited numbers, the vital backbone, of experienced craftsmen further reduced and dissipated into other industries and areas. The 6-percent differential in cost permitted under the Merchant Marine Act may be the critical factor in keeping these present yards in existence and the workers on the job and available for any possible emergency.

Mr. President, the importance of this feature of the Merchant Marine Act is so obvious I earnestly hope that no further thought will be given to any proposed repeal. The differential clause was included in that legislation from the outset in the House, was retained by the Senate in what otherwise was an almost complete job of rewriting, and was incorporated in the conference report. Certainly a provision of law with such history should not be tampered with, particularly at such a crucial time in the life of this historic American industry.

I refer in these comments to S. 2038, introduced by the senior Senator from Maryland [Mr. BUTLER]. I denounce the bill; I believe it to be wrong. I feel certain that my views will appeal to an overwhelming majority of the Senate, no matter from what section of the country they may come. The bill is one which should be defeated; it should never get to the floor of the Senate.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1956—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the conference report on the Department of the Interior appropriation bill is at the desk. I hope the Senate may act on it now. I observe on the floor the distinguished chairman of the Committee on Appropriations [Mr. HAYDEN], and I yield to him.

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies, for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, the appropriations for the Department of the Interior and related agencies for the fiscal year 1955 were $301,474,676. The budget estimates for 1956 were $314,523,056. The bill as passed by the House appropriated $297,925,546. As passed by the Senate the bill appropriated $327,987,088. The amount agreed upon by the conferees and included in the conference report is $317,573,627. In other words, the appropriations recommended in the conference report as compared with the appropriations for 1955, represent an increase of $16,098,951. They are above the Budget Bureau estimate by $3,050,571. Above the amount provided by the House by $19,648,081, and only $10,413,461 less than the amount provided by the Senate when it passed the bill.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. NEUBERGER. A good many conservation groups have asked me about one phrase which appears in the conference report, and that is in the authorization for the highway along the George Washington Memorial Parkway, in which the following statement is made: "but that the maximum possible protection shall be provided to maintain the C. & O. Canal and the lands bordering it in their natural state."

That language is quite nebulous and ambiguous, and a great many conservation groups are afraid that if the proposed highway is constructed it will have the effect of totally marring the scenery and wiping out the wildlife in that area. Was it the intention of the conference committee really to provide some protection when the highway is constructed along the George Washington Memorial Parkway?

Mr. HAYDEN. That was certainly the intent of the conferees. The testimony before the committee was that it is a mistaken idea to think that the entire length of the highway would crowd right up to the canal. That is not true. In many places, it would be at a considerable distance from the canal. There are certain places where the bluff comes so close to the canal that the roadway will have to be constructed close to the canal, and then depart from it again.

The determining factor was that the State of Maryland is cooperating on the project, and has contributed funds for 50 percent of the cost of acquiring the right-of-way. The parkway was authorized by law to be undertaken jointly by the Park Service and the State of Maryland. The State of Maryland, having advanced a certain sum of money, according to an agreement embodied in an act of Congress, was very insistent that the project should be proceeded with.

Neither the State nor the Federal authorities have in any way attempted to indicate that action should be taken which would disturb the canal. On the other hand, we have tried to indicate that the highway should stay as far as possible away from the canal, except where it is impossible to do so.

Mr. NEUBERGER. I thank the Senator. For the RECORD, I should like to say, so that it will be available when the highway is being constructed, the area along the canal is one of the most important recreational sites for groups such as the Boy Scouts and the Audobon Society in the area of the Nation's Capital. I very much hope the distinguished chairman of the Committee on Appropriations and his colleagues will see to it that the National Park Service carries out what the chairman certainly thinks to be the intent of this part of the conference report. I wish to thank the distinguished chairman for giving me this assurance. I know that certain groups were very much concerned over the question.

Mr. HAYDEN. We also have the assurance of the National Park Service that no agency is more interested in providing recreational facilities than it is, and that objective will not be abandoned in this case.

Mr. NEUBERGER. I thank the Senator. I think it is important that this colloquy be in the RECORD, in the event there should be any dispute over the meaning of this provision of the report and the purpose intended.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KUCHEL. My colleague and I have both been most interested in amendment No. 39. I am sure he shares my delight over the fact that the amount provided by the Senate with respect to the Forest Service generally was accepted by the House conferees. Can the Senator indicate what part of this amount is earmarked for fire protection or fire control in southern California?

Mr. HAYDEN. The Senate increased the amount by $625,000 over the budget request, and in conference $300,000 of the increase was retained.

Mr. KUCHEL. I thank the Senator very much. I express my sincere appreciation of his sympathetic interest for our problem.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5085, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 8, 1955.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 6, 8, 11, 21, 34, 36, 48, 46, and 47 to the bill (H. R. 5085) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes", and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 18 to said bill and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: ", of which $100,000 shall be available for the completion of payments for the execution of the new figure for the Yorktown Monument, upon the completion of the figure to the satisfaction of the Secretary, and

the Secretary shall release the contractor from all obligations under the contract with respect to the removal of the present damaged figure, the repair of the shaft, and the mounting of the new figure on the shaft: *Provided*, That prior to any payments made pursuant to this provision the contractor shall release the Government from any and all claims arising from the execution of the figure or any presently existing contract between said contractor and the United States Government: *Provided further*, That the sum provided herein is in addition to the sum of $59,000 specified in contract No. I–100np–147."

That the House recede from its disagreement to the amendment of the Senate numbered 24 to said bill, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert: ", of which $500,000 shall be available for the establishment of a revolving fund for loans to locally owned private trading enterprises, to continue during the fiscal year 1956".

That the House insist upon its disagreement to the amendments of the Senate numbered 14 and 15.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 18 and 24.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I move that the Senate recede from its amendments Nos. 14 and 15.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement giving a breakdown of the appropriations in the Department of the Interior and related agencies appropriation bill.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

Department of the Interior and related agencies appropriation bill, for the fiscal year ending June 30, 1956

Appropriation title	Appropriations, 1955	Budget estimates, 1956	House allowance	Senate allowance	Conference allowance
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I—DEPARTMENT OF THE INTERIOR					
OFFICE OF THE SECRETARY					
Research in utilization of saline water	$400,000	$400,000	$400,000	$400,000	$400,000
Salaries and expenses, Oil and Gas Division	390,000	390,000	390,000	390,000	390,000
Office of the Solicitor	(2,569,000)	2,525,000	2,525,000	2,525,000	2,525,000
Office of Minerals Mobilization		300,000	250,000	225,000	225,000
Emergency flood and storm repairs	100,000				
Total, Office of the Secretary	890,000	3,615,000	3,565,000	3,540,000	3,540,000
BUREAU OF LAND MANAGEMENT					
Management of lands and resources	12,263,000	13,400,000	13,400,000	13,500,000	13,450,000
Construction	2,500,000	2,500,000	2,300,000	2,300,000	2,300,000
Range improvements	(387,976)	(587,000)	(587,000)	(587,000)	(587,000)
Total, Bureau of Land Management	14,763,000	15,900,000	15,700,000	15,800,000	15,750,000
BUREAU OF INDIAN AFFAIRS					
Education and welfare services	37,060,668	41,675,000	41,675,000	41,865,995	41,764,995
Resources management	12,763,045	12,532,000	12,332,000	12,432,000	12,432,000
Construction	12,916,433	7,847,356	2,847,356	7,979,003	7,979,003
Road construction and maintenance (liquidation of contract authorization)		7,000,000	7,000,000	7,000,000	7,000,000
General administrative expenses	2,460,000	2,600,000	2,600,000	2,600,000	2,600,000
Relocation of the Yankton Sioux Tribe	50,000	56,500	56,500	56,500	56,500
Total, Bureau of Indian Affairs, exclusive of tribal funds	65,250,146	71,710,856	66,510,856	71,932,498	71,832,498
Tribal funds (not included in totals of this tabulation)	(3,000,000)	(3,200,000)	(3,200,000)	(3,100,000)	(3,100,000)
GEOLOGICAL SURVEY					
Surveys, investigations, and research	25,735,000	26,285,000	26,285,000	26,985,000	26,635,000
BUREAU OF MINES					
Conservation and development of mineral resources	13,500,000	12,893,000	12,893,000	13,393,000	12,893,000
Health and safety	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
General administrative expenses	1,000,000	970,000	970,000	970,000	970,000
Construction	6,000,000			2,000,000	
Total, Bureau of Mines	25,500,000	18,863,000	18,863,000	21,363,000	18,863,000
NATIONAL PARK SERVICE					
Management and protection	9,098,390	9,800,000	9,800,000	9,825,000	9,825,000
Maintenance and rehabilitation of physical facilities	8,425,000	8,950,000	8,950,000	8,950,000	8,950,000
Construction	13,618,200	4,725,000	3,725,000	5,776,400	5,425,000
Construction (liquidation of contract authorization)		20,000,000	19,654,300	19,654,300	19,654,300
Jones Point Bridge	600,000				
General administrative expenses	1,084,000	1,175,000	1,175,000	1,175,000	1,175,000
Total, National Park Service	32,825,590	44,650,000	43,304,300	45,380,700	45,029,300
FISH AND WILDLIFE SERVICE					
Management of resources	6,301,000	6,728,500	6,650,000	6,753,500	6,728,500
Investigations of resources	4,127,000	3,977,000	3,977,000	4,187,000	4,187,000
Construction	300,000	140,000		1,000,000	1,000,000
General administrative expenses	725,000	760,000	760,000	760,000	760,000
Administration of Pribilof Islands	(1,654,640)	(1,827,600)	(1,827,600)	(1,827,600)	(1,827,600)
Total, Fish and Wildlife Service	11,453,000	11,605,500	11,387,000	12,700,500	12,675,500
OFFICE OF TERRITORIES					
Administration of Territories	3,400,000	2,624,000	2,600,000	2,619,000	2,609,500
Trust Territory of the Pacific Islands	5,000,000	5,000,000	4,000,000	4,500,000	4,500,000
Alaska public works	9,500,000	5,000,000		5,000,000	3,000,000
Construction of roads, Alaska	8,000,000	7,800,000	4,800,000	7,800,000	6,300,000
Operation and maintenance of roads, Alaska	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Construction, Alaska Railroad	2,900,000	4,100,000	4,100,000	4,100,000	4,100,000
Total, Office of Territories	32,300,000	28,024,000	19,000,000	27,519,000	24,009,500

Department of the Interior and related agencies appropriation bill, for the fiscal year ending June 30, 1956—Continued

Appropriation title (1)	Appropriations, 1955 (2)	Budget estimates, 1956 (3)	House allowance (4)	Senate allowance (5)	Conference allowance (6)
ADMINISTRATION, DEPARTMENT OF THE INTERIOR					
Salaries and expenses	$2,330,000	$2,081,000	$2,065,000	$2,081,000	$2,065,000
Total, Department of the Interior	211,046,736	222,734,356	206,680,156	227,301,698	220,399,798
TITLE II—RELATED AGENCIES					
Commission of Fine Arts	21,200	21,200	21,200	21,200	21,200
Federal Coal Mine Safety Board of Review	75,000	70,000	70,000	70,000	70,000
Department of Agriculture:					
Agricultural Research Service:					
Salaries and expenses				150,000	150,000
Forest Service:					
Salaries and expenses:					
National forest protection and management	30,536,500	32,411,500	32,411,500	37,111,500	35,511,500
Fighting forest fires	6,000,000	5,250,000	5,250,000	5,250,000	5,250,000
Control of forest pests	7,507,500	6,107,500	4,937,500	6,537,500	6,272,500
Forest research	7,054,000	7,254,000	7,254,000	7,754,000	7,754,000
Subtotal	51,098,000	51,023,000	49,853,000	56,653,000	54,788,000
Roads and trails	22,500,000	24,000,000	24,000,000	24,000,000	24,000,000
Acquisition of lands for national forests:					
Weeks Act	125,000			190,000	190,000
Special acts	(10,000)			(10,000)	(10,000)
State and private forestry cooperation	10,683,690	9,600,000	10,683,690	12,983,690	11,337,129
Cooperative range improvements (special account)	(400,000)	(280,000)	(400,000)	(700,000)	(700,000)
Total, Forest Service	84,406,690	84,623,000	84,536,690	93,826,690	90,315,129
Indian Claims Commission	117,000	119,500	119,500	119,500	119,500
Jamestown-Williamsburg-Yorktown Celebration Commission	100,000	100,000	100,000	100,000	100,000
John Marshall Bicentennial Commission	10,000				
National Capital Planning Commission:					
Salaries and expenses	143,000	200,000	143,000	143,000	143,000
Land acquisition	545,000	900,000	500,000	500,000	500,000
Salaries and expenses, transportation survey	200,000				
Total, National Capital Planning Commission	888,000	1,100,000	643,000	643,000	643,000
Smithsonian Institution:					
Salaries and expenses, Smithsonian Institution	3,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Salaries and expenses, National Gallery of Art	1,300,000	1,355,000	1,355,000	1,355,000	1,355,000
Total, Smithsonian Institution	4,300,000	5,355,000	5,355,000	5,355,000	5,355,000
Woodrow Wilson Centennial Celebration Commission		10,000	10,000	10,000	10,000
Total, related agencies	89,917,890	91,398,700	90,855,390	100,295,390	96,783,829
TITLE III—VIRGIN ISLANDS CORPORATION					
Grants	510,000	390,000	390,000	390,000	390,000
Administrative expenses	(130,000)	(160,000)	(160,000)	(160,000)	(160,000)
Grand total, titles I, II, and III	301,474,626	314,523,056	297,925,546	327,987,088	317,573,627

STATUS OF APPROPRIATION BILLS

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Texas. I should like to inquire what the plans of the Appropriations Committee are for the remainder of the week. Does the Senator plan to report the Department of Commerce appropriation bill?

Mr. HAYDEN. The subcommittee is engaged in marking up the bill for consideration by the full committee, which we hope will be done before the weekend, so that there may be a report from the full committee by next Monday.

Mr. JOHNSON of Texas. Unless some unforeseen developments occur, does the Senator expect the hearings and report to be available for Senate consideration on Monday next?

Mr. HAYDEN. That is our hope. We shall send the manuscript to the Government Printing Office, so that there may be as prompt action as possible.

Mr. JOHNSON of Texas. Does the Senator plan to have action on any other appropriation bills this week?

Mr. HAYDEN. A subcommittee is making an effort to mark up the armed services appropriation bill, but it will be impossible to report the bill to the Senate until the middle of next week.

Mr. JOHNSON of Texas. As I understand, a subcommittee is holding hearings on the District of Columbia appropriation bill?

Mr. HAYDEN. Yes; today.

Mr. JOHNSON of Texas. And hearings are about concluded on the public works appropriation bill?

Mr. HAYDEN. We have made satisfactory progress. That is, we have heard all the outside witnesses on the Corps of Engineers projects, but, after having heard from ladies and gentlemen from all over the country who desire certain projects to be constructed, it is necessary to make inquiry of the Corps of Engineers as to what their opinion is of the representations which have been made, and the feasibility of some of the requests.

Mr. JOHNSON of Texas. As I understand, that proceeding is expected to be concluded this week?

Mr. HAYDEN. Yes, but that is only one phase of the public works bill.

Mr. JOHNSON of Texas. I understand the atomic energy and the TVA items will have to be considered.

Mr. HAYDEN. There will have to be considered appropriations for the Tennessee Valley Authority, the Atomic Energy Commission, the Bureau of Reclamation, the Southwestern Power Administration, the Southeastern Power Administration, and the Bonneville Power Administration.

Mr. JOHNSON of Texas. Hearings are being conducted on the reclamation features of the bill, are they not?

Mr. HAYDEN. Yes. They were held on yesterday and the day before.

Mr. JOHNSON of Texas. Again I wish to express my great appreciation to, and my admiration for, the Senator from Arizona, and the very fine committee which he heads. The members have done excellent work this session. I am hopeful, if everything goes according to plan, that all the appropriation bills will be reported and acted on before the beginning of the next fiscal year. I commend the Senator and all the members of his committee.

Mr. HAYDEN. I indulge in no prophecy, but I can say I am exceedingly for-

tunate in having some old, experienced hands on the job, persons who understand the bills and have worked on them before. The situation is very different than it would be if we had greenhorns.

Mr. JOHNSON of Texas. I assume the Senator from Arizona includes the distinguished minority leader in the group he calls old hands.

Mr. NEELY. Mr. President, when the eminent Senator from Arizona [Mr. HAYDEN] said that he had some old and experienced hands on the Appropriations Committee, he looked directly at the distinguished Senator from California [Mr. KNOWLAND]. Therefore, I move to strike out the word "old" so far as Senator KNOWLAND is concerned, and venture to say of him, in Shakespearean language:

Age cannot wither him, nor custom stale
His infinite variety.

IMPORTANCE OF SAVING THE HELLS CANYON DAM SITE

Mr. NEUBERGER. Mr. President, the increasing public recognition of important national policies involved in the struggle to save the great Hells Canyon Dam site has recently been reflected in segments of the American press. This is an indication of the alarm which people feel over the future of their natural resources.

Part of this alarm is the result of what Columnist Thomas L. Stokes described in the June 7 issue of the Washington Evening Star as "a strange sort of report" by a Federal Power Commission examiner.

The FPC examiner found that a high Federal dam at Hells Canyon "would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake." But, as Mr. Stokes pointed out, the examiner took it upon himself to decide that Congress would not do the right thing—namely, authorize construction of a high dam at Hells Canyon—when confronted with the facts.

I do not share with the examiner his apparent disdain for the willingness of Congress to legislate in the public interest. As I have pointed out before, the Hells Canyon case is a challenge to Congress to exercise its responsibility for true conservation and development of our natural resources. This is the thread of logic which runs through a number of recent newspaper articles regarding Hells Canyon Dam.

I ask consent to have printed in the RECORD the article by Mr. Stokes, a significant editorial from the Oregonian, of Portland, Oreg., of June 2, 1955, and a letter to the editor of that newspaper by Samuel Moment, a noted economist, from the issue of June 6, 1955.

There being no objection, the article, editorial, and letter were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of June 7, 1955]

CRUCIAL TEST ON HELLS CANYON—TRIED-AND-TRUE CONSERVATION POLICIES AT STAKE IN HIGH DAM VERSUS LOW DAM FIGHT

(By Thomas L. Stokes)

The great gash carved by the Snake River along the Idaho-Oregon border, known by the intriguing name of Hells Canyon, is isolated in nature, and seems remote perhaps to you who live in other more tame regions.

But what happens at Hells Canyon in the way of development of the river for electric power, irrigation, flood control and navigation will affect you in the future wherever you live in the United States, as it will affect residents and industry of the great Pacific Northwest. You might as well recognize this; for it is recognized and being acted upon by the highly organized private utility interests which have seized upon the Hells Canyon issue to try to check further development of your rivers by your Government in your interest.

Two principles, each long established, are at stake in the battle over Hells Canyon which will move into the Senate for a showdown shortly.

First is the policy defined half a century ago by President Theodore Roosevelt for integrated development of our water resources for their best utilization for everybody in irrigation, flood control, and hydroelectric power.

Second is whether we will cling to the so-called "yardstick" policy established with the aid of Congress by another and later Roosevelt—Franklin D.—whereby such public projects as TVA and others were created as pilot projects to show what it cost to produce electricity and thus keep rates of privately owned utilities in line.

Both principles would be preserved if the Government is permitted to build a high dam across the Snake River as recommended by the Army engineers. Such a dam would be authorized in a bill sponsored by 29 Senators which is slated for final approval at a session tomorrow by an Interior and Insular Affairs subcommittee that has been considering it, after which the measure would go to the full committee and thence to the Senate floor.

If, instead, this invaluable resource of the people is handed over to the Idaho Power Co., which is chiefly absentee-owned by eastern interests, for proposed piecemeal development by 1 to 3 low dams, it would stop forever the wise, sound, integrated development of the great Columbia River system. The Snake River is a part of this system that is so necessary for the expanding economy of the Northwest. It would also, of course, strike a deadly blow at the "yardstick" policy which, it is no secret, the private utilities are determined to break down.

Sponsors of the Government-built high dam, both in House and Senate, are attempting to exercise the prerogative that belongs to Congress to legalize it and to instruct the Federal Power Commission to license it. The FPC held hearings for months on Hells Canyon. Recently, an FPC examiner issued a strange sort of report. He found that the high dam was the better project for the watershed, but then took it upon himself to decide that Congress never would approve it. Consequently he recommended that the Idaho Power Co. build 1 low dam, instead of the 3 it proposed. The FPC itself has not rendered its decision. Meanwhile, champions of the high dam are taking the initiative in Congress on legislation that would supersede any FPC decision.

How President Theodore Roosevelt in 1908 ordered that the Hells Canyon power site be made a part of our forest reserve so it could be protected by the Government from private exploitation is described in an exhaustive and authoritative study of the Hells Canyon issue by a distinguished economist, Father Mark J. Fitzgerald, a member of the faculty of Notre Dame University, who argues for a federally built high dam.

"It was Theodore Roosevelt's firm conviction that a river system from its headwaters to the sea is a single unit and should be treated as such," he wrote in an article in America, going on to say later that there is more at stake than just Hells Canyon itself.

"If this power source fails of realization, a number of other dams projected in the Columbia Basin may face congressional rejection because their economic feasibility depends on coordination with Hells Canyon. In a larger sense the national conservation policy first set forth over 50 years ago is facing serious danger. Invaluable power sites throughout the Nation, which have been under public protection as part of the Federal conservation program, may become easy prizes for private exploitation at public expense."

As a plain dollars-and-cents matter, he points out how the three low dams proposed by Idaho Power Co. would produce 576,000 kilowatts of power less each year than the projected Government high dam. That would mean 26,000 fewer jobs in industry, about the same number in the service trades, and $180 million less each year in payrolls and more than a half billion dollars less in production annually.

"The oft-cited tax return of almost $10 million per year predicted from the 3-dam project appears small compared to the loss of tax revenue of 4½ times that amount on income and investment from private enterprise that would be excluded from the area because of the high power rates," Father Fitzgerald wrote.

[From the Portland Oregonian of June 2, 1955]

CHAOTIC POWER STRUGGLE

The Hells Canyon riddle, made more complex by the decision of Examiner Costello of the Federal Power Commission, continues to confuse the people of the Northwest with weird angles:

Mr. Costello, it will be recalled, employed many pages and examples to assert the all-round superiority of a single high dam at the Hells Canyon site, advocated as a Federal project, over Idaho Power Co.'s three-dam proposal. Then he recommended a license for just one of Idaho Power's projects, at the Brownlee site. Stepping out of his proper role as an executive employee, he based this decision on the belief that Congress would not vote to build a high dam.

At Missoula, Mont., the other day, ex-Governor Len Jordan, of Idaho, now Chairman of the American section of the International Joint Commission, lashed out at the Canadian Government with whom he is trying to negotiate agreements for American investment in Canadian storage and hydro dams on the upper Columbia and Kootenai Rivers. He termed the Canadian valuation of such storage at 7 mills a kilowatt of capacity fantastic—as, indeed, it is. He urged early and complete development of upriver storage in this country.

But, said Mr. Jordan, who has been a strong supporter of Idaho Power's petitions, this should not be interpreted to mean that he favors a high, Federal Hells Canyon Dam. Storage could be obtained cheaper elsewhere, he said.

This baffling position may be related to (1) Secretary of the Interior McKay's public endorsement of the Idaho Power projects, and (2) Reclamation Commissioner Dexheimer's recent suggestion that the Federal Government build Mountain Sheep and Pleasant Valley Dams in the Middle Snake below the Brownlee site. (A group of private utilities already has been granted preliminary FPC permits to study these projects, with a potential of a million kilowatts—a private financing venture which seems to fit the administration pattern.)

What does all this mean? It could mean that at least one segment of the administration now thinks the full storage capacity of the Middle Snake for at site and downstream power benefits can be obtained by a combination of the million acre-feet Brownlee Dam and a high dam at the Pleasant Valley site backing water up to Brownlee.

This is possible; the Oregonian long ago suggested such a private and public compromise, using the Idaho Power three-dam plan and a high dam at the original Mountain Sheep site which would also tap the Salmon River by means of a diversion tunnel. But Government engineers later ruled out the first Mountain Sheep site because of poor foundations and moved the site upstream, beyond the mouth of the Imnaha River.

But Mr. Dexheimer appears to have made a serious error in calculation, if he means to utilize the entire head of the Snake between the new Pleasant Valley site and the Brownlee site. He suggested a Federal Pleasant Valley Dam 65 feet higher than that proposed by the Northwest Power Co. This would leave about 50 feet of head still not utilized. Should the entire flow be leveled off in a pool to Brownlee, the Pleasant Valley Dam would have a hydraulic height of 692 feet—the world's highest dam. If that is practical, why not Hells Canyon?

Is it any wonder that the people are confused? Or that serious consideration is being given throughout the region to a proposal long indorsed by this newspaper? The latter is a regional power corporation which would resolve these planning and construction projects on a basin-wide foundation, finance public projects by issuing revenue bonds, build new dams according to a master plan (and atomic power plants as well), and wholesale the power at cost to public and privately owned utilities on a fair and equal basis.

The prodding and pulling of private power, public power and governmental agencies are giving the Northwest nothing but chaos. In the meantime, industries and jobs are going elsewhere in the Nation and to Canada. A serious shortage of power will cripple the area in the early 1960's. Again, we offer the self-financing regional power corporation as the only logical solution to these difficulties.

[From the Portland Oregonian of June 6, 1955]

WAY OUT OF CHAOS

To the EDITOR:

Your editorial on June 2, Chaotic Power Struggle, accurately points out that the Northwest is getting nothing but chaos and losing industries and jobs because of the prodding and pulling of private power, public power, and governmental agencies.

Having worked 15 years with the Bonneville Power Administration, I suggest that into the pot of confusion you also throw the following:

1. Secretary of the Interior Douglas McKay rejected the Hells Canyon bill (S. 1333) on May 2, 1955, in a letter to the Senate Interior and Insular Affairs Committee, partly because with transmission lines it would cost the Treasury around $500 million. Yet, to the same committee on February 25, 1955, he approved the Federal upper Colorado River project in S. 500, which will cost the Treasury over $1,600,000,000, and produce power at a cost double that at Hells Canyon Dam.

2. The Federal Power Commission examiner decided on May 8, 1955, that the Hells Canyon Dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake, and would contribute 400,000 more kilowatts of prime power to the Northwest than the inferior Idaho Power Co. proposal. Yet he disapproved Hells Canyon Dam and recommended one of the inferior dams.

3. On June 1, the State engineer of Oregon held up hearings on the proposal of the Eugene Water Board to develop a mere 30,000 kilowatts at Beaver Marsh on the upper McKenzie, possibly interfering with recreation and fishing there and at Clear Lake. So 400,000 kilowatts are to be lost forever at Hells Canyon through private development, forcing Oregon utilities to consider such little dams as the Beaver Marsh project, Pelton on the Deschutes, and others on the Siletz and other coastal streams, hurting sports fishing and the recreation industry.

4. Oregonians are being asked by their Governor and Pacific Power & Light Co. to approve the Columbia Basin interstate compact under which it would have been impossible for Oregon to have obtained the full amount of power it now receives from Bonneville and McNary Dams, and under which it would have been impossible for Oregon to have the chemical and metallurgical industrial plants now located at Troutdale, Springfield, Salem, Riddle, and Portland.

5. The present "partnership" policy of the administration is the same as the one proposed by the board of Army engineers in the 1933 "103" report on the Columbia River. The board recommended against Federal development and in favor of development by local utilities as power was needed. Had that recommendation been carried out, Bonneville, Grand Coulee, Hungry Horse, McNary, The Dalles, and Chief Joseph would never have been built because in the 1930's the utilities in the region contended that there was ample power surplus for years to come.

There are two ways out of the chaos. One is to get back to Federal planning and development of major projects on the same self-liquidating basis that is now so helpful to the taxpayers and to private enterprise. The other is to set up a regional power corporation that you recommend. Either solution can end the chaos and produce for Oregon and the entire Northwest far more low-cost power, new industries, new jobs, flood control, navigation, recreation, sports fishing, and other benefits than the present "partnership" concept.

SAM MOMENT.

REPUBLICAN POLICY—LETTER FROM W. A. CALLAWAY

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by Mr. W. A. Callaway, of Charlottesville, Va., and published in the Washington Post of a week ago today, which is as follows:

MESS IN WASHINGTON

In the days of the Democratic dispensation a "mess" was something to be cleaned up; under the Republican renaissance it is something "magnificent." And under the spell of the press agent and of a Hollywood aura a smiling incompetence rolls merrily and ineluctably on to a rude awakening by the citizenry at the polls. Or so I hope.

W. A. CALLAWAY.

CHARLOTTESVILLE, VA.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to give notice that sometime next week, or as soon as possible thereafter, it is planned to have the Senate proceed to the consideration of Calendar No. 243, Senate bill 256, to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association; also Calendar No. 269, Senate bill 1633, relating to a constitutional convention in Alaska; Calendar No. 361, Senate bill 51, a bill to amend the statutes relating to State jurisdiction over Indians; and Calendar No. 363, Senate bill 922, a bill to amend the Domestic Minerals Program Extension Act of 1953.

I do not know just what day we shall be able to bring those bills before the Senate for consideration. I assure the distinguished minority leader that before I make any motion to proceed to consider any of them I shall give him ample notice. It may be desired to add 1 or 2 bills to the list, but I shall do my very best to cooperate with the distinguished minority leader.

REPORT OF ATTORNEY GENERAL'S COMMITTEE TO STUDY THE ANTITRUST LAWS

Mr. HUMPHREY. Mr. President, I wish to make a very brief statement in reference to the report of the Attorney General's Committee To Study the Antitrust Laws.

The Senate Small Business Committee has been reviewing the report of the Attorney General's National Committee To Study the Antitrust Laws. This report was released March 31, 1955. It is a detailed study of the Sherman Act, the Clayton Act, the Robinson-Patman Act, and the Fair Trade Act, along with the enforcement and administration of these acts by the Federal Trade Commission and the Department of Justice Antitrust Division. Every businessman should be aware of this report, know its contents, and clearly understand the recommendations.

The Attorney General's study of the antitrust laws is of particular importance to all independent business and especially the retail merchant. The recommendations offered concerning the Robinson-Patman Act and the Fair Trade Laws may very well determine the future course of American free enterprise. The Robinson-Patman Act, which prohibits discriminatory pricing, is the Magna Carta of independent business, and particularly the retailer. The enforcement of this act is under the jurisdiction of the Federal Trade Commission. The attitude and the spirit of the Federal Trade Commission is equally important. No law is any better than its administration. A good law with weak administration becomes ineffective. The situation becomes even more intolerable when the basic law is changed either by weakening amendments or administrative rulings.

I respectfully suggest that under the recommendations now before the Attorney General, the basic intent and purpose of these fundamental laws, such as the Sherman Act, the Clayton Act, and the Robinson-Patman Act, can be drastically changed by an administrative rule or regulation.

I have studied carefully the Attorney General's National Committee report on the antirtust laws. That Committee has recommended several drastic changes in the Robinson-Patman Act. All of these changes would serve only to weaken the law. The report recommends the outright repeal of the so-called fair trade law. I vigorously opposed these recommendations, and during the hearings held by the Senate Small Business Committee on the Attorney General's report and recommendations, served notice that I would do all in my power to strengthen the Robinson-Patman Act and to main-

tain the fair trade law. These basic laws need to be enforced, not weakened. They need to be continued and improved, not repealed.

Independent free enterprise must organize and mobilize its manpower and resources to fight against this fundamental change in national wholesale and retail trade policy.

I raise my voice in the Senate to alert the independent businessmen of America to the necessity of organizing and mobilizing their manpower and resources to fight against a fundamental change in national wholesale and retail trade policies.

The independent businessmen of America have worked for years to obtain laws to protect and encourage fair competition. If the recommendations of the Attorney General's committee are put into effect, the standards of fair competition, which have become accepted public policy, will be uprooted, changed, and weakened to a point where our independent retailers will be at the mercy of predatory, unfair price competition.

The recent report of the Federal Trade Commission reveals another threat to our American free-enterprise competitive economy, namely, the rapid growth of mergers and combines, both in manufacturing and wholesaling. Both the Sherman Anti-Trust Act and the Clayton Act were designed to check the tendency toward mergers and monopolistic practices. The existing antitrust laws may very well provide a suitable program for preventing and undoing significant restrictions on competition. But antitrust laws do not enforce themselves. Eternal vigilance by Government is necessary for positive action. Section 7 of the Clayton Act has been weakened due to court and administrative interpretations in the past years. We need an authoritative clarification of section 7. It is this provision of law which was designed to prevent mergers when such mergers would have an adverse effect on competition.

In fact, it has been suggested that the law be changed so that, before a merger takes place, the Federal Trade Commission will be notified, and will be in a position to examine the economic effect of such a merger before the fact—in other words, before the exchange of stocks and the establishment of the new company, because once the new enterprise, or the merger of two or more enterprises, comes into being, it is rather difficult for the Government to act expeditiously.

If we want a free economy, it will require more than merely keeping Government out of business. A free competitive economy requires that Government help maintain the conditions of fair competition. In recent years many businessmen have been concerned about the threat of Government competition with private enterprise. This is a legitimate concern. But, the real threat today is the failure of Government to use the laws that are now on the statute books to prevent monopoly, to curb and restrain unfair trade practices, and to maintain a competitive economic system. Fair competition provides automatic regulation for a free economy. But fair competition is not maintained by just hoping for it. The power of big business today is so immense that it can overwhelm many smaller businesses unless the authority of law is used to protect the weak from the strong and to prohibit discriminatory practices.

What I have just said I have brought to the attention of the business people of the State which I represent in part in the Senate, in the form of a statement and newsletter. I feel that it is important that the business community, particularly the independent retailer and the small manufacturer and wholesaler, recognize the threat which is actually lying on the desk of the Attorney General today, in the body of many of these recommendations.

Mr. President, I now desire to say a few words on another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

DEVELOPMENTS WITHIN THE SOVIET UNION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a news item from the New York Times of May 29, 1955, written by the distinguished expert on the Soviet Union, Mr. Harry Schwartz.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KHRUSHCHEV PUTS PREMIER IN SHADE—BULGANIN IN SECONDARY ROLE TO SOVIET PARTY SECRETARY AT YUGOSLAV PARLEY

(By Harry Schwartz)

In the Soviet talks with the Yugoslavs, Nikita S. Khrushchev has been giving a demonstration that he, not Premier Nikolai A. Bulganin, is the "summit."

This demonstration has interested Western diplomats who have long wondered whether a Big Four conference of heads of government including Premier Bulganin would really be a meeting "at the summit" so far as the Soviet Union was concerned.

In every public appearance in Yugoslavia Mr. Khrushchev, who holds no formal government post but is first secretary of the Soviet Communist Party, has monopolized the spotlight in the Soviet delegation. The silence of Premier Bulganin, his secondary role in pictures of the Soviet team, and the fact that President Tito, of Yugoslavia, has appeared to treat Mr. Khrushchev, not the Premier, as his opposite number and equal in rank, all seem to testify to Mr. Bulganin's subordination to Mr. Khrushchev.

VIEW CONTRADICTED

The formal Russian contention now is that the Soviet Union is ruled by a "collective leadership" rather than one man. To buttress that idea the names of the highest Soviet figures are usually printed alphabetically. The naming of Mr. Khrushchev as leader of the delegation to Belgrade and his conduct there have seemed to contradict this contention, however.

Observers have noted that corroborative evidence on Mr. Khrushchev's leading role was supplied by Marshal Ivan S. Konev in a recent Moscow speech. Marshal Konev not only put Mr. Khrushchev's name first among those responsible for victory in World War II, but also separated Mr. Khrushchev's name from others mentioned. The treatment was similar to that once given Stalin's name. When the speech appeared in Pravda, however, Marshal Konev's wording was changed so as to eliminate this special treatment.

Observers are speculating on the status of others in the Soviet hierarchy. One factor that has aroused special interest has been the absence of Nikolai M. Shvernik, an alternate member of the Communist Party Presidium, and Nikolai N. Shatalin, a member of the secretariat of the Communist Party, from public view in recent months. Both are among the top 15 figures in the Soviet Union.

THE ROLE OF ZHUKOV

There is a strong view in some diplomatic circles, too, that the status of Marshal Georgi K. Zhukov, Soviet Defense Minister, is being exaggerated by Western public opinion.

It is held that this exaggeration arises from the fact that the Western press has attached political significance to the correspondence President Eisenhower said last month he had had with Marshal Zhukov. Actually, it is reliably reported, Marshal Zhukov's correspondence with the President involved only his plea that the United States return Valerie A. Lysikov, son of a Soviet officer, who defected to the West in Berlin and then chose to return to his parents.

The same diplomats believe they discern a studied Soviet effort to reduce Marshal Zhukov's importance before the Soviet and foreign public. Two chief items of evidence are presented for this view.

In Moscow on May 8, Marshal Konev and not Marshal Zhukov held the center of the stage as the orator at the celebration of the tenth anniversary of the defeat of Hitler Germany.

At the same time, Marshal Zhukov was in East Berlin, a subordinate member of a delegation headed by a relatively second-ranking Communist party leader, Mikhail G. Pervukhin. The Zhukov speech in East Berlin received relatively secondary prominence in the Soviet press then.

Mr. HUMPHREY. The article is significant in corroborating two very important developments in the Soviet Union which some of us have brought to the attention of the Senate on previous occasions.

First is the fact that the true leader of the Soviet Union is Mr. Khrushchev, first secretary of the Soviet Communist Party. This reaffirms the all-powerful position of the Communist Party in the Soviet Union, because Mr. Khrushchev holds no formal government position other than his party position. I have pointed this out earlier in the Senate—in fact, 6 or 7 years ago.

Mr. Schwartz points out that in the recent visit of Soviet leaders to Yugoslavia it was Mr. Khrushchev and not Premier Bulganin who monopolized the spotlight and took the position of leadership both in the discussions and in public appearances.

This is significant, Mr. President, because it raises a question in my mind as to whether a Big Four Conference of the heads of government, including Premier Bulganin, would be really a meeting at the "summit" insofar as the Soviet Union is concerned. These developments should be considered very carefully by our Government as it prepares for the conference and as it may build any expectations as to what might conceivably come out of the conference.

In other words, if Mr. Khrushchev was No. 1 in Yugoslavia, and Mr. Khrushchev was No. 1 in forcing through the Austrian Treaty, it seems to me that if there is to be a conference at the "summit,"

as the headlines term it, between the so-called heads of state, we may very legitimately ask the question, "Just who is the head of the Soviet Union?" Is it Mr. Bulganin? If so, why was he No. 2 man in the Soviet entourage in Belgrade, Yugoslavia? I believe our planners and our leaders should give this matter very serious consideration.

It is important to hold the conference, Mr. President, and to go into that conference in good faith. There is, however, reason for us to be cautious with regard to our expectations from the conference if the true leader of the Soviet Union is in fact not present at the conference.

The second item of significance related by Mr. Schwartz refers to the role of Marshal Zhukov, Soviet Defense Minister. I have on a number of occasions pointed out to the Senate that we ought not to be misled into thinking that Marshal Zhukov is in a position of real power in the Soviet Union. The real power is in the Communist Party and it is the Communist Party which dominates all aspects of the Soviet world, including the Soviet military establishments.

Marshal Zhukov is now being cleverly thrust forward by the Soviet Union as a symbol of "reasonableness" in view of his previous associations with leaders of the West, particularly President Eisenhower. Let us again not be misled into thinking Marshal Zhukov's "reasonableness" is a direct reflection of Soviet intentions or of the Soviet power relationships.

Marshal Zhukov will be used as long as he is handy, and as long as he performs what the real hierarchy of the Soviet Union wants him to do. I said sometime ago that I felt placing Marshal Zhukov in the position of Defense Minister was but a further effort to try to divide the West by bringing to the front a very popular World War II hero, who could attract the attention of most of the people of the Western World, particularly at a time when delicate negotiations centered around Germany and the inclusion of Germany's power in the Western defense system.

Mr. Schwartz points out that the role of Marshal Zhukov is being exaggerated by Western public opinion. This undoubtedly arises out of wishful thinking on the part of so many peace-loving peoples. The fact of the matter is that his importance is minimized within the Soviet Union itself and that in fact he is looked upon as a subordinate rather than a high leader in Soviet affairs.

We, in this Nation of ours, desire peace, and hope for international understanding. That can only come about, however, if it is accompanied by a hard-headed realism on our part as to the enemy we face and the obstacles we must overcome. It is to help establish that realism that I make this comment on the floor today.

THE UPPER COLORADO RIVER STORAGE PROJECT

Mr. BENNETT. Mr. President, I have a statement which I had expected to make on the floor of the Senate today. However, time has run out on me. Therefore, I ask unanimous consent that the statement be printed in the body of the RECORD, together with certain newspaper excerpts which are required to complete it.

There being no objection, the statement and the excerpts from newspapers were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENNETT

I am constantly amazed at the tremendous financial resources available in apparently unlimited amounts to a forbiddingly impressive array of high-powered lobbyists who are throwing their money into an all-out fight to kill the upper Colorado River storage project.

The anti-Colorado project lobbyists constitute an intriguing alliance with mutually antagonistic goals, except for their union against the upper Colorado project. They are paced by southern California water and power interests who are providently blessed by the law of gravity which dictates that water belonging to Utah and the upper Basin States shall flow downhill to southern California. With the law of gravity on their side, delay is to their advantage, and they can have their cake and drink our water, too. Their cake consists of nearly a billion dollars of reclamation projects already built in the lower basin made doubly palatable by our water.

Strangely enough, the southern Californians, made wealthy themselves by reclamation, now join with a second group of the triumvirate, the antireclamationists, in attacking the entire reclamation law and program. They ask that the rules which prevailed during their innings should now be changed in the middle of the stream (the Colorado River) and that new rules should be applied to the upper Basin States during our turn.

Of course, southern California power lobbyists are anxious to have the 7,500,000 acre-feet, which belong to the upper basin each year under the Colorado River Compact of 1922, continue to flow uninterrupted through lower basin power plants. Our water is being wasted into the Pacific Ocean at a prodigious rate of 4 million acre-feet annually and is used for the sole purpose of furnishing firm power at dump power rates to industries in the Los Angeles area. We in Utah and the upper basin have been subsidizing cheap power to southern California for two decades and they seem overly greedy in their present efforts to forbid us the use of our share of the Colorado water.

In spending their money for delay, the southern California lobbyists flee piously, on selective occasions, to the Colorado River Compact, portions of which they say are now in issue before the Supreme Court. However, they conveniently overlook the fact that even if all the points in contention are resolved against the upper basin, there will still be available to the upper basin much more water than we can possibly put to use in the entire upper Colorado project.

The third group in the triple entente consists of the so-called conservationists. Early in the game they opposed only the Echo Park Dam and assumed a cloak of objectivity about the remainder of the project. However, this illusion of objectivity has been totally dispelled by their recent statements happily embracing the antireclamationists and southern California interests in wholesale opposition to the complete project.

Since the conservationists' Echo Park invasion theory into the national parks has been totally exploded, both on legal and on moral grounds, they undoubtedly find it more comfortable at this juncture to debate economics rather than rely on their outmoded argument. They must feel rather sheepish as they contemplate the thousands upon thousands of dollars which they have wasted ostensibly in the name of protecting our national parks. It must be sobering indeed for these conservationists to realize the tremendous good which they could have accomplished if they had spent their wealth on improving the national parks and monuments instead of wasting it on a baseless issue.

I hope that the rank and file of sincere conservationists will demand an accounting from their national leaders who are wasting the money and who appear to be more interested in conserving their jobs than they are in conserving water and our national parks.

The triumvirate is headed by a fascinating group of lobbyists. One of them, employed by some of the California interests, is Mr. Northcutt Ely, a high-powered and high-priced attorney, who, the Library of Congress tells me, reports receiving over the past 4 years almost a quarter of a million dollars from a few of the California water interests. He is, of course, fighting the project.

But the most intriguing lobbyist is Mr. Fred Smith of New York, a professional public relations consultant. He revealed to a New York Herald Tribune reporter last December that sometime ago he, with his assistant, a Mr. Provin, had formed a two-man council of conservationists. This was an effective device by which tax-free groups of conservationists, who couldn't use their own organizations to lobby without risk of losing their tax-free status under section 501–C–3 of the Internal Revenue Code, could develop a campaign against a power dam in the Adirondack Mountains. When the firm was hired to fight the Colorado River project, Mr. Smith beefed up the 2-man council with 5 new men, each of whom is an official of a tax-free conservation group. He explained to the reporter that these men were careful to serve only as individuals in order to stay within the law.

Mr. Smith also said that last year he had received between $25,000 and $30,000 from one man to fight the project if it included the Echo Park Dam. In commenting on his 1955 activities, he made the statement that he didn't know where the money was coming from but that he had been told "we can get all the money we need."

[From the Washington Post and Times Herald of May 18, 1955]

ECHO PARK PLAN

In your issue of May 4 Senator WATKINS denies that he was trying to confuse the public on the Echo Park Dam issue. In that connection your readers might be interested in the statement made by Senator WATKINS' colleague, Senator BENNETT, as quoted in the Salt Lake Tribune of April 21.

After describing the Senate vote as an important step ahead for the upper Colorado project, he said: "Our strategy of moving quickly without giving the opposition a chance to develop undue strength apparently worked well."

I know of no more devastating admission of weakness in a case than that statement. In a fair debate there is never any question of moving quickly in order to choke off the opposition before the judges' decision is given. It may perhaps be a defensible move in political maneuvering, but before the bar of American public opinion, which is bound to judge this debate in the long run, it is a dead giveaway of intention to confuse.

C. EDWARD GRAVES,
Western Representative, National Parks Association.
CARMEL, CALIF.

[From the Washington Post and Times Herald of May 28, 1955]

THE UPPER COLORADO RIVER PROJECT

Thanks for publishing on May 18 the letter of the Californian, C. Edward Graves, who

claimed that I am afraid to permit adequate time for a fair debate of the upper Colorado River project. Thus you put me in an "I'm-glad-you-said-that" position and permits an explanation for my statement.

We in the West have good cause to fear the power of the wealthy anti-Colorado River project lobbyists and their damaging program of "propaganda for delay." One has only to glance at the reported incomes and expenditures of some of these lobbyists, made available by the Federal Lobby Act, to realize just how much wealth and power these individuals and groups have at their command to pour into this fight.

A very significant measure of the power of this lobby is its ability to get access to the columns of important national magazines with articles that present its propaganda—magazines that have denied us the opportunity to present our story on the grounds that "the issue is not controversial." This is a striking contrast with the impartial attitude taken by the Washington Post and Times Herald.

When I view this alarming concentration of wealth and power which is bold enough to brag about its unlimited resources, it is small wonder that I expressed a certain sense of relief in seeing the Senate act promptly. There are no wealthy patrons to support us in the Mountain States to meet this publicity challenge.

In his letter, Mr. Graves says I made a devastating admission of weakness because I wanted to choke off the opposition before the judges' decision is given. Certainly, he must have made that statement with his tongue in his cheek, for this project has been under consideration for many years. In 1950, the Department of the Interior conducted open hearings and came to the conclusion that the Echo Park Dam was the necessary wheelhorse dam for the project. In 1951, full hearings were held in both Houses of Congress and ample time was allowed for each side. This year there has been another set of hearings in both Houses with time for full presentation. Actually, we had reached a stage where we were hearing the same arguments from the same people. The conservationists and southern California water wanters were dancing to the same tune, with only the change of date to vary the theme.

The thing that has concerned all of us in the West is that when the discussion moves from the committee to the floor of the House (and the longer the time for consideration is delayed), the greater opportunity these people will have to increase their propaganda in a stepped-up program based on emotion. Even we from the West have been deluged with this propaganda, ranging in style from blatantly deceptive figures about interest cost to expensive, beautifully bound, slick paper books presenting carefully chosen photographs of the area calculated to create the impression that it is unique and irreplaceable.

But, we who live in this area know that before this propaganda storm was created, no more than a handful of persons a year visited this area. We know that, taken as a whole, it is a parched, arid waste, whose basic features are repeated many times all over the region. We know that the name "dinosaur" came from a quarry far removed from the Echo Park area, from which the only known dinosaur bones in the region were removed many years ago.

We are not blind to beauty or the appeal of the primitive West. We firmly believe that if the dam is built, it will not only help make it possible for us to use the water, but it will make the area accessible to millions of Americans, and not just to the wealthy or adventurous few.

The Colorado River compact, which gave the upper States a right to approximately one-half of the waters of the Colorado, was signed 33 years ago. Under it, southern California has grown and blossomed. Over those years we have seen our water flow away to be wasted in the Pacific, to choke Lake Meade behind Hoover Dam with silt, or to be absorbed by selfish interests in the lower basin, who not only have their share of the water but want ours, too.

These powerful lobbies who work on the emotions of people far removed from the area, and thus indirectly upon the fears of their congressional representatives, know that every day and year of delay brings the time closer when the people at the end of the river can acquire rights by use to that share of the water which was reserved by compact to the upper basin States. With so rich a prize at stake, every dollar they spend with their professional lobbyists must seem to them a good investment.

Do you wonder, after hearings that stretch over 5 years, that we fear further delay and rejoice when Congress acts promptly?

WALLACE F. BENNETT,
United States Senator from Utah.

SUGAR LEGISLATION

Mr. KUCHEL. Mr. President, the sugar industry of America is in trouble. I was very happy to join with a group of Senators from the sugar-producing areas of our country in introducing proposed legislation to assist the industry. The last sugar legislation adopted by Congress was in 1951. In that year American citizens who were engaged in the production of sugar voluntarily accepted restrictions in order to permit one foreign country to bring its sugar production back to normal levels.

I congratulate the junior Senator from Utah [Mr. BENNETT], who announced earlier today that the Departments of Agriculture and State have apparently agreed upon a series of recommendations for sugar legislation at this session of Congress.

I trust that those recommendations may provide a basis upon which adequate and reasonable legislation may be enacted by Congress. In my position as a California citizen, I can testify to the need for remedial action by the Federal Government.

Yesterday I received a letter from the distinguished Governor of California. It outlines the plight in which the sugar industry of California finds itself.

I ask unanimous consent that the letter may be printed at this point in the RECORD, and I commend to my colleagues in the Senate the argument which my friend, the Governor of California, makes with respect to this problem.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF CALIFORNIA,
Sacramento, June 1, 1955.

Hon. THOMAS H. KUCHEL,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Notwithstanding your splendid efforts, as a coauthor of S. 1635, in sponsoring legislation to bring relief to the domestic sugar industry through amendments to the Sugar Act of 1948, the conditions facing this important industry are becoming so increasingly critical that I feel it has become imperative that I urge your special attention to the present need for prompt action by Congress.

As you know, rapid technological developments and improved farming methods have increased sugar-beet tonnage per acre by 20 percent since 1948. Domestic areas have been subject to acreage reductions under the Sugar Act; but during the last 2 years, the application of its restrictions has resulted in increasingly sharp curtailment of domestic production in order to remain within the rigid marketing quotas.

Last year, sugar-beet acreage was 10 percent less than it was during the year before the first Sugar Act went into effect, but production has more by 14 percent, or nearly 2 million tons. The present fixed quota of 1,800,000 tons will result in a further acreage reduction of 10 to 15 percent this year by growers in most of the 22 beet-producing States; while farmers who have not been growing beets have little or no chance of obtaining permission to plant sugar beets, although they are vitally neded for proper crop rotation.

The continuance of the restrictions in beet plantings presents an immediate threat to the economy of every beet-producing community. Production is exceeding marketing quotas in spite of acreage cuts, with the result that sugar producers are faced with rapidly increasing inventories. These inventories must be reduced; but their reduction will further curtail sugar production with resulting loss of work for thousands of persons and with severe economic hardship, not only to the farmers and farm workers, but to all other persons involved in the production, transportation, and processing of sugar beets, as well as those in related activities.

The present plight of the sugar industry is the direct result of certain provisions of the Sugar Act of 1948, and amendments adopted in 1951, when the domestic sugar industry generously accepted restrictions in order to permit Cuba to bring its sugar production back to normal levels. It is a matter of record that at that time, our domestic sugar industry's representatives reserved the right to ask Congress to review the fixed quotas if circumstances should change materially before the act's expiration date of December 31, 1956.

Today circumstances have not only altered but it has become imperative that the sugar industry obtain prompt relief from the hardships it is undergoing as a result of its willingness to help a sister nation. Our domestic industry seeks only a fair share of the ever-increasing American market. Today no portion of the increasing American sugar consumption can be supplied by our own industry; but all of it is reserved for Cuba and other foreign producers.

The increasingly distressed condition of California's important sugar industry, as well as that of the other 21 Western States, two Southern States, and the Territory of Hawaii, has become so critical that prompt and effective action is now imperative.

May I urge you to remind your colleagues in the Congress, in connection with this legislation, that the remedial action they are asked to take at this time represents a minimum recognition of the basic principles of equity and justice. The right of American citizens to enjoy their just and historic share of the ever-expanding American market is one whose recognition throughout this Nation's legislative and judicial history, has been the primary cause of this country's present world position as the champion of free enterprise and individual liberty.

I am sending this same letter to Senator KNOWLAND and to all Congressmen from California, in order to call their attention to the present need for immediate action.

Cordially,

GOODWIN J. KNIGHT,
Governor.

LEIF ERICSSON

Mr. BUTLER. Mr. President, when introducing his resolution to provide for the erection of a statue of Leif Ericsson in the District of Columbia, my good friend the Senator from Washington [Mr. MAGNUSON] stated that the "intrepid Viking set foot on our New England coast in the year A. D. 1002."

Without minimizing the purpose of Senate Joint Resolution 74, I should like to bring to the attention of the Senator from Washington [Mr. MAGNUSON] and the Members of the Senate that more recent calculations would seem to indicate that Leif Ericsson landed in the Chesapeake Bay area, south of Washington, D. C. While I am unable to speak on the subject with any degree of authority, and despite the statement of the Senator from Virginia [Mr. BYRD], sitting on my left, that Leif Ericsson landed first in Virginia, I should like to believe that, in the light of the new developments, the great Viking explorer and navigator first touched the soil of the great free State of Maryland.

My search to obtain confirmation of this belief was prompted by the following observation which appeared in the October 25, 1954, issue of Newsweek magazine:

OSLO.—Startling new calculations by Norwegian historians make it seem probable that Leif Ericsson, who sailed to America around A. D. 1000, landed in the Chesapeake Bay area rather than the northern United States, as previously supposed.

Investigation of this report by the information service of the Embassy of Norway has brought forth the following excerpts from editions of its bulletins entitled "News of Norway," which I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the News of Norway of October 14, 1954]

WHERE DID THE VIKINGS LAND?

For several generations, leading scholars have discussed and advanced conflicting theories as to the location of Vinland, where Leiv Eirikson made his first landing in North America, about A. D. 1000, or some 500 years before Columbus. Now, an authoritative study of this and related problems has been written by Dr. Almar Naess, a noted Norwegian mathematician-navigator.

Published by Dreyer A/S, Stavanger, Hvor LÅ Vinland? is in large measure based on calculations made by the late M. M. Mjelde (1862–1924), an experienced navigator, who later became press attaché at the Norwegian Legation in London. According to Mr. Mjelde's uncompleted findings, Vinland was situated at 36'54'' latitude north, or much farther south than previously assumed.

Dr. Naess arrives at nearly the same conclusion. According to his calculations, which occupy 45 pages, the Leiv Eirikson camp and thus Vinland could not have been farther north than 36' latitude north. Consequently, the northern limit of Vinland must be sought in Chesapeake Bay, somewhere south of Washington, D. C.

His scholarly work also discusses other Viking voyages to North America, as described in the sagas. Moreover, Dr. Naess presents reasons for his belief that the old Norsemen had developed a compass. (See News of Norway, vol. 11, No. 9.)

[From the News of Norway of March 4, 1955]

VIKING COMPASS

Bergens Tidende reports that a round oak disk, unearthed in southern Greenland, strongly indicates that the ancient Vikings indeed had developed an effective navigation instrument for use on their voyages across the North Atlantic, from Norway to Iceland, thence to Greenland, and eventually to North America, about a thousand years ago. As restored by curator Peder Soleim, of Bergen Fisheries Museum, the disk actually appears to have been a bearing finder, with 32 directions carved around the edge, same as on a mariner's compass. Judging from runic inscriptions, the disk dates back to around 1200 A. D.

The find was made in 1951 by the Danish archeologist C. L. Vebaek. Digging under the floorboards of the Benedictine cloister ruins in Siglufjord, he discovered a number of wood and iron tools with runic inscriptions. He also found a semicircular oak disk, with a hole in dead center and evenly spaced notches around the edge, clearly suggesting that it had been designed to serve as a direction finder.

In reconstructing the original disk, curator Soleim assumed that the center hole must have been intended for a loosely fitted handle, with a pointed pin thrust vertically into the upper end, and a direction indicator extending from the base of the pin to the edge of the disk. Held against the noon sun, with the shadow from the pin falling on the notch for due south, the disk would act as a compass. By turning the handle and therewith the attached indirection indicator, the Viking navigator would thus have been able to set his course quite accurately. In similar manner, he could find his way at night by means of the Polar Star, which the old Norsemen called leidarstjerna.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BUTLER. I am happy to yield to my friend from Minnesota.

Mr. HUMPHREY. I am extremely gratified to have the Senator's additional historical clarification of the achievements and exploits of that great Viking, Leif Ericsson. Although Leif Ericsson may well have landed in the Chesapeake Bay area, I am proud to say, as a citizen of the State of Minnesota, that many of his offspring have landed in my State. I am equally proud to say, as one who had a Norwegian-born mother, that hearing words about Leif Ericsson spoken in the Senate does something to my 50-percent Norwegian blood. I thank the Senator.

Mr. BUTLER. I am very happy that my remarks have made the Senator from Minnesota happy, which is always a desire on my part.

RECESS TO FRIDAY

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Friday, June 10, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8, 1955:

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 759, 80th Congress, Public Law 36, 80th Congress as amended by Public Law 37, 83d Congress, and Public Law 625, 80th Congress:

To be major

Fried, Julian J., MC, O445972.

To be captain

Garbarino, Robert J., MC.

To be first lieutenants

Ceccarelli, Frank E., MC, O1938834.
Christensen, John F., JAGC, O999587.
Delmer, Jacqueline A., WAC, L1010553.
Fink, Barbara P., ANC, N901320.
Granger, Carl V., Jr., MC, O4021741.
Guernsey, Louis H., DC, O1922045.
McGregor, John G., Jr., MC, O2268824.

To be second lieutenants

O'Brien, Elizabeth A., WMSC, J100195.
Slawson, Elizabeth F., WAC, L1010742.
Steinbach, Edna M., WAC, L1020656.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Armstrong, Frederick S.
Faircloth, James R.
Gottlieb, M. Milton, O2273755.
Hathaway, Clinton R., Jr., O2273863.
Hooper, Donald
Lawler, James C., O4038154.
Murphy, Frank P., O4040591.
Toll, Richard J., O4030394.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Belteau, Robert J., O1882147.
Blaser, Charles O., O1879035.
Browning, Freddie L., O1924831.
Buchan, Earl K., O1331599.
Burch, George L., O1919307.
Campbell, Clarence P., O1341629.
Carlson, William E., O2003049.
Chrisco, Robert H., O990881.
Clohecy, Richard M., O1874475.
Cochran, James F., III, O1882297.
Cress, William, O2263400.
Dooley, Michael J., O2203883.
Drenkhahn, Andrew O., O2208884.
Evans, John C., O982816.
Finsterle, James C., O993779.
Fountain, Foster F., Jr., O2021008.
Gause, Joseph W., Jr., O2206386.
Gilliam, Robert, O1885305.
Gould, Jack W., O1924854.
Hardin, Harold F., Jr., O2102996.
Heffelfinger, Edwin C., O1341782.
Hooker, Robert W., O1913239.
Ison, Glenn W., O981716.
Jerrett, Robert M., O1338957.
Kugler, Robert N., O1917791.
Leeper, John J., O1333494.
Lindorff, Robert L., O2262938.
MacDonald, Hugh A., O2262792.
Marine, George E., O998862.
Matkovich, Ludwig D., O957641.
McCord, Sherwood J., Jr., O2021046.
Meeker, Ernest L., O1876411.
Milligan, George, III, O1876778.
Morris, John P., O2014615.
Murrie, Burt J., O1876522.
O'Rahilly, Patrick J., O971438.
Palmer, Harold B., O1874555.
Palmore, Glenn L., O996795.
Pelosky, Edwin F., O1913395.
Piercefield, Fremont, O2262732.
Poole, Grady R., O961472.

Powell, Royce M., Jr., O1882612.
Shareck, Everett P., O1924705.
Sullivan, John P., Jr., O1876446.
Tinker, Martin, Jr., O1881624.
Traylor, Robert J., O1886559.
Waldron, Garald L., O2030466.
Weston, Robert A., O973559.

To be second lieutenants

Allen, Stanley C., O1932302.
Andrews, Wilson P., O1886686.
Basic, Nick J., O1933679.
Blalock, Charlie L., O1937674.
Boggs, Joseph C., O4011681.
Butler, Don A., O1888126.
Butler, Frank C., Jr.
Dunn, Charles H., O1890402.
Evans, Ira K., Jr., O1933661.
Frenier, Julius A., O1925794.
Heath, Bobby R., O4009037.
Hendricks, Arthur D., O1889346.
Hoyle, Frank E., O1931301.
Jobert, A. Philip R., O4030594.
Logan, Francis S., O1936241.
Lynch, Gordon P., O1936684.
Marcy, Edwin J., Jr., O4026393.
McIntosh, John H., O1883468.
McIntosh, Theodore W.
McKenzie, Colin W., Jr., O1935197.
Meadows, Benjamin T., O1880696.
O'Connor, Edward C., O1893054.
O'Donohue, John D., O1926777.
Olin, Irwin D.
Porter, Clair E., A1935804.
Pulver, Elmer W., O1937642.
Riggs, Harold B., O1935393.
Riley, Clemens A., O1936158.
Robinson, Edgar B., Jr., O4009111.
Schnarr, Charles A., O1931099.
Solomon, Robert B., O1937873.
Stewart, David T., O1935188.
Ward, Edward W., O4007016.
Whipple, Richard G., Jr., O2103511.
Zoeckler, William R., O1932484.

The following-named distinguished military student for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Larson, Richard H.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, effective June 15, 1955, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Dancer, Earl W., Jr.
Lange, John H.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1955, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Akin, Havis D.
Ameel, Joseph B.
Anderson, Karl R., Jr.
Anderson, Valjean C.
Ashe, Oliver R.
Barrett, Gilbert J.
Beach, Edmund J.
Bihler, John O., Jr.
Bookout, Jerry P.
Bradshaw, Don L.
Brown, Arnold K., Jr.
Browning, William W., Jr.
Buice, Randall A.
Burnette, Charles D.
Cabral, Walter K.
Case, Franklin D.
Chouinard, Richard J.
Cochran, Glen V.
Cohen, Sydney G.
Collier, Gary D.
Costello, Charles J.
Count, Elmer E.
Daves, Phillip E.
Delahunty, Thomas C.
Delifus, Edward
Diamond, George B.
Dodd, Calvin G.
Draper, Edwin L.
Edmunds, William R.
Fair, Cecil G., Jr., O2266383.
Farrell, Robert D.
Feeley, Robert F.
Fox, Frederick W.
Foy, Robert A.
Fucella, Edward D.
Gange, William B.
Goodger, Charles J.
Greene, Donald J.
Griffen, Charles F.
Gudger, Robert M.
Hall, Harry T.
Hamel, John F., Jr.
Hammond, Rudolph E., O4041563.
Hannum, Alden G.
Haught, V. Ronnald
Henry, John D.
Hess, John P.
Hoffman, Glenn F.
Huff, Roy P., Jr.
Jacobs, Talmadge J.
Janek, Floyd R.
Janning, Thomas B., O4004813.
Janson, Paul J.
Lascola, Harry R.
Lauthers, David E.
Lilje, Donald H.
Lillich, Edward R.
Luetge, Arnold E.
Macedonia, Raymond M.
Mahaffey, Fred K.
Maney, John D.
Marino, Andrew S.
Maynes, George E.
McCormick, John J.
McKay, Gerald E.
McKinley, John R.
McMichael, Donald E.
Merchant, Frederic L., Jr.
Miller, Charles G.
Mitchell, Glenn W.
Mourer, Dennis J.
Muckenhirn, Charles F., O4041538.
Murdock, Norman A.
Murphy, Walter H.
Murray, Roland N., Jr.
Parson, Joe W.
Pfeil, Kenneth A.
Pillitteri, Salvatore J.
Polak, Alexander P.
Powers, Donald L.
Priore, Fortunato R.
Reed, Paul R., O4041570.
Richardson, George A., Jr.
Rinedollar, John D.
Roddy, Patrick M.
Rosie, Gerald J.
Roth, Robert H.
Royal, Charles M., O4025575.
Schelhorn, Carlton L.
Schukar, Harry T.
Settle, Thomas A.
Shepardson, John A.
Simoni, Richard J.
Spinelli, Angelo R., Jr.
Stout, Anthony N.
Strimbu, George
Sutton, James L.
Svirsky, William R.
Trigg, Jasper A.
Wallace, James W.
Ward, Thomas J.
Watson, Robinson R.
Waterman, Stephen, III
Wegley, Frederick L., Jr.
Wescott, Charles E.
Winne, Ross W., Jr.
Woolworth, Wesley B.
Yuhas, Robert J.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 8, 1955

The House met at 12 o'clock noon.

The Reverend Charles Edward Berger, St. Anne's Episcopal Church, Annapolis, Md., offered the following prayer:

Almighty God, the fountain of wisdom, whose statutes are good and gracious, and whose law is truth: We beseech Thee to guide and bless the House of Representatives of the United States of America, that it may ordain for our governance only such things as please Thee, to the glory of Thy name and the welfare of the people. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title:

S. 654. An act to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2061. An act to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1956

Mr. KIRWAN. Mr. Speaker, I call up the conference report on the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 731)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) "making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 27 and 37.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 7, 9, 10, 16, 20, 23, 28, 29, 30, 31, 32, 33, 35, 41, 42, 44, 45, 49, and 50, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,450,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$41,764,995"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,635,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,350,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree